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LATIN AMERICA REPORT

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CONTENTS

ENERGY ECONOMICS

CHILE

- Colbun-Machicura Electrical Project Slated for 1985
(LA NACION, 16 May 81)..... 1

COUNTRY SECTION

ARGENTINA

- Widely Spread Rumors Reflect National Political Tensions
(J. Iglesias Rouco; LA PRENSA, 10 May 81)..... 5
- Column Draws Parallel Between Galtieri, Lanusse
(LA NACION, 10 May 81)..... 9
- Iglesias Rouco on Isabel Peron's Possible Pardon, Massera
(J. Iglesias Rouco; LA PRENSA, 13 May 81)..... 14
- Briefs
Junta Discusses Political Statutes..... 17

BAHAMAS

- Workers Party Attacks Pindling's 25 Years
(THE TRIBUNE, 25 May 81)..... 18

CHILE

- Editorial Supports Tough Policy on Return of Exiles
(Editorial; LA TERCERA DE LA HORA, 20 May 81)..... 20
- Admiral Merino Discusses Oil, Shipbuilding, Fishing
(Jose Toribio Merino Castro Interview; EL MERCURIO, 21 May 81). 22

Construction of Pillan Aircraft Reported (EL MERCURIO, 11 May 81).....	29
---	----

CUBA

Soviet Peace Official Discusses World Peace (Iosif Batiev; VERDE OLIVO, 3 May 81).....	31
FAR Civilian Worker Leader Notes Upcoming Congress (Elder Santiesteban; VERDE OLIVO, 3 May 81).....	33
Chemical Defense Troops Exercise Described (Mario Rodriguez, Gabriel Izquierdo; VERDE OLIVO, 3 May 81)....	36
Maceo Military School Receives Emulation Award (Jose Cazanias; VERDE OLIVO, 3 May 81).....	38
Scientific-Technical Revolution Explained by Socialism (Hernan Yanes; TRABAJADORES, 14 Apr 81).....	39
Lage Explains University Entrance Requirements (Carlos Lage; JUVENTUD REBELDE, 23 Apr 81).....	41
Briefs Rearguard Chiefs Awarded	45

JAMAICA

Prime Minister Seaga Outlines Economic Strategy (CANA, 28, 29 May 81).....	46
Four Targets Outlined, by Suzanne Francis-Hinds No New Taxes Needed	
Shearer Challenges Police To Fight Organized Crime (CANA, 28 May 81).....	49
Manufacturers Warn of Too Rapid Deregulation of Economy (CANA, 28 May 81).....	50

NICARAGUA

William Ramirez Attends Sumu Indian Assembly (Juan Jose Lacayo; BARRICADA, 22 May 81).....	51
Suggestions Made for More Effective Dialogue (Mario Alfaro Alvarado; LA PRENSA, 16 May 81).....	53
Briefs Sugar, Meat Production Goals	55
Borge Terms Jehovah's Witnesses 'Imperialists'	55
Education Leader Criticizes Article	56

PANAMA

Columnist Says Congress To Increase Control Over Canal (MATUTINO, 1 Jun 81).....	57
National Institute Students Go on Strike (Televisora Nacional, 29 May 81).....	59
Marxist Hand Seen in Broadcaster Strike (Editorial; LA ESTRELLA DE PANAMA, 31 May 81).....	60
Briefs	
Lawyers To Sue Panamenista Organizers	61
Alleged Political Refugee Leaves	61

ST LUCIA

Budget Approved Amid Partisan Clashes (CANA, 1 Jun 81).....	62
--	----

TRINIDAD AND TOBAGO

Briefs	
Japanese Methanol Plant	64

COLBUN-MACHICURA ELECTRICAL PROJECT SLATED FOR 1985

Santiago LA NACION in Spanish 16 May 81 p 8 A

[Text] Four consortiums to start work; annual output 3.25 billion kw; annual savings possible: \$9,216,000.

Machicura, Chiburgo and Colbun will together, during the first phase which is anticipated by 1985, contribute an annual average of around 950 million to 3.25 billion kwh.

This makes the above-mentioned Colbun-Machicura project the biggest one promoted by ENDESA (National Electric Power Enterprise, Inc) and approved by the National Energy Commission.

Basically, the Colbun project consists of a man-made dam across the Maule River which will regulate a hydrographic basin area of 5,710 km² and whose resources will be used for hydroelectric power supply and irrigation.

The average flow rate of the Maule River at Colbun is 262 m³/sec while the storage basin will contain 1.49 billion m³ and will flood a surface area of 46.6 km², consisting primarily of riverbed land and other poor-quality land used in agriculture.

Diversion Tunnels

The construction of the reservoir has made it necessary to divert the waters of the Maule River through two parallel tunnels, one of which is 875 m long while the other one is 800 m long; they are the country's biggest since, with a height of 16 m and a width of 13 m, they are big enough to contain a six-story building.

In the case of Colbun and especially regarding the power plant, the power generating units will include two units of 200,000 kw, each, and they will be placed in a cavern with a maximum height of 33 m, a width of 24 m, and a length of 91 m.

Big Saving

Although the investment in the implementation of this project is, overall, more than \$900 million, the generation of its 3.5 billion kwh per year adds up to an

amount equalling one-third of the total output throughout Chile today; this is equivalent to an annual consumption saving of 1.2 million t of coal or the equivalent of 24,000 barrels of petroleum per day, in other words, a saving of \$9,216,000 per year.

Along with the benefits for agriculture, resulting from better utilization of Maule River waters, it is estimated that this will accommodate a large flow of tourists, although it is difficult to calculate the exact extent; regarding the area, it is estimated that the earning will be \$1 million per month and that will benefit the inhabitants of Talca, Linares, and Colbun.

Higher Consumption

According to plans and according to the rising need for electric energy on the part of the country's inhabitants, this project will solve supply problems during peak hours from 1800 until 2000.

The first stage consists of channeling the Maule River by means of tunnels and it will be handled by a Brazilian combine which got the award for this project.

The overall construction of the entire complex in turn has been subdivided into four components and the bidding invitations opened last year have made it possible to set up all or a portion of the system's structure.

The first dam and the dikes--which constitute other, smaller dams--were awarded to the Guy Atkinson Corporation of the United States, in association with Eulogio Gordon of Chile and preliminary work has been started.

The engine house for the two power plants at Colbun and Machicura were awarded to a consortium made up of the Chilean enterprise of Ingesil and a French consortium consisting of about eight enterprises, called CCI.

Both undertakings were awarded with financing. The dam and the dikes involve about \$200 million and the power plants themselves involve around \$120 million.

ENDESA Must Double Electric Output

The need will increase every 10 years and the total annual increase is 8-9 percent.

In electric energy, Chile must, within 10 years, do what it has been able to do over a century so far.

It is estimated that the country's demand will increase on the order of 8-9 percent per year. This means that ENDESA or the private companies must, every 10 years, in order to meet the needs of the country's almost 11 million inhabitants.

The pertinent calculations are contained in the programs of the National Energy Commission and there are other projects, along with Colbun and Machicura, so that we may complete the stages which will enable the country to be self-sufficient in electric energy.

Next year, work is to be started on the El Pehuenche power plant. It has not yet been approved by the National Energy Commission and it is estimated that it will produce 470,000 kw, almost half a million, starting with an annex to the Colbun dam, on the Maule River.

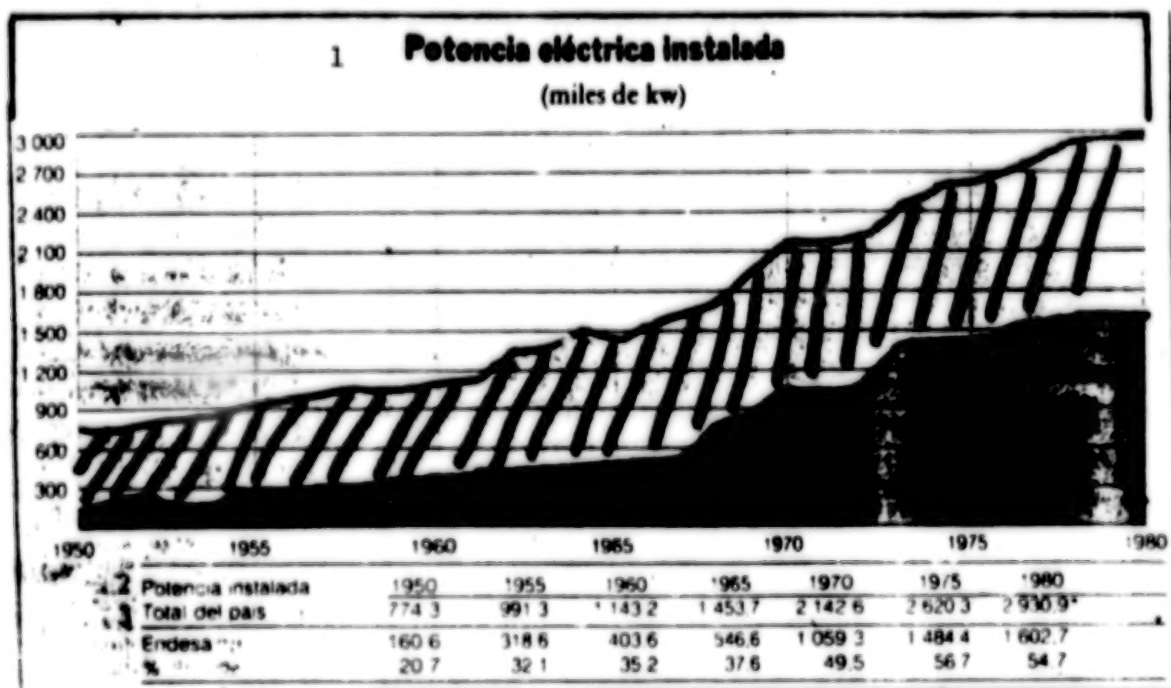
The Antuco power plant will have an installed capacity of 300,000 kw and will contribute an average of 1.8 billion kwh per year.

Supplies

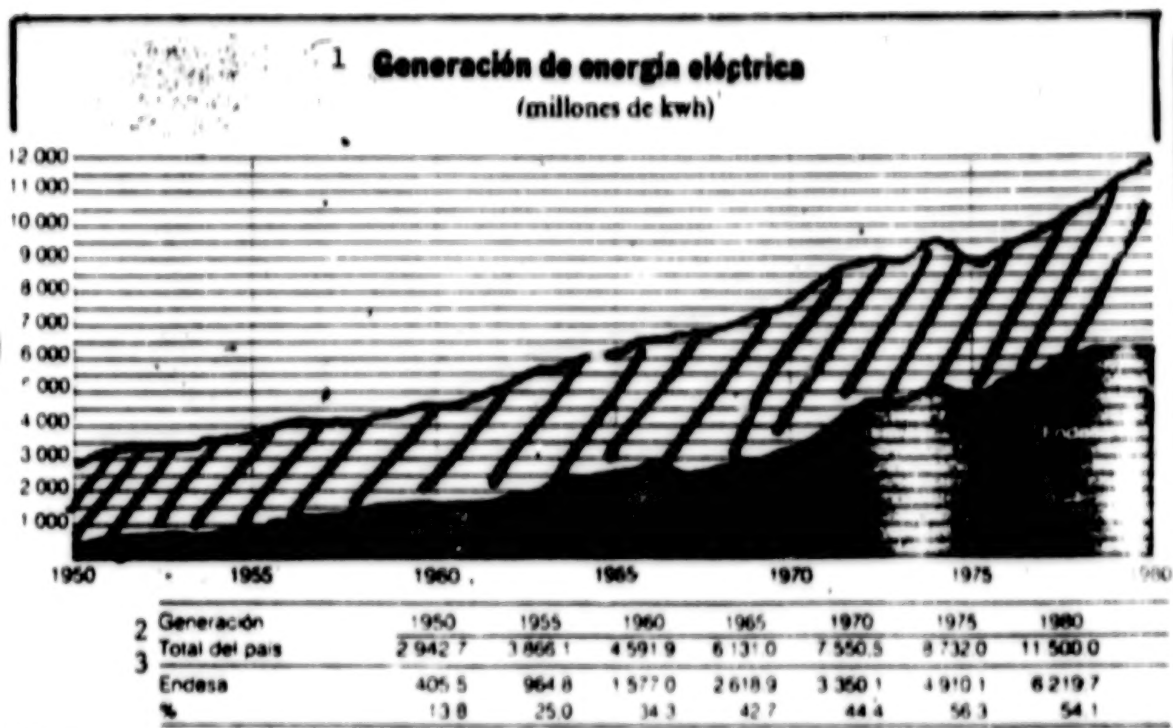
Ever since its establishment, the National Electric Power Enterprise has been given a mission by the government to maintain electric power supply services for the country and so far it has been accomplishing that mission.

The enterprise's current programs are long-range programs since building a power plant takes something like 6-8 years and this sort of thing cannot be improvised. In any case, there has been much advance planning, including precise studies of what must be done in terms of project planning.

Along with the completion of the Antuco power plant, the Colbun power plant should thus be ready within another 4 years. Work on Pehuenche is progressing in the north and the Canutillar project is ready in the south, along with other project drafts which are in a very advanced stage.



Key: 1--Installed electric capacity (1,000 kw); 2--Installed capacity; 3--Country, total. The country-total figures are provisional.



Key: 1--Electric energy generation (millions of kwh); 2--Generation; 3--Country, total. The figures for the country-total are provisional.

5058

CS0:3010/1384

WIDELY SPREAD RUMORS REFLECT NATIONAL POLITICAL TENSIONS

Buenos Aires LA PRENSA in Spanish 10 May 81 pp 1, 4

[Article by J. Iglesias Rouco]

[Text] The lack of agreement among the various sectors and organs of power of the "Process"--and on many occasions within each one--plus the political and economic interests of the tiny groups that hover around them in swarms, and the general lack of confidence in the nation, unleashed a tide of rumors last Friday in an incident without precedent in recent history. It was even claimed that the "government" was about to "fall," and that the Court would replace it. That assertion is totally nonsensical, given the structure of this military regime.

According to our sources, Viola himself was informed Friday night of the psychological tension, which to a certain extent was spurred by the confusing comments broadcast over the radio concerning the situation in Spain. A quick investigation was even conducted to determine the origin of the disturbance. In some official circles it is believed that the rumors--"well-founded," according to the perpetrators, because of alleged misunderstandings between the president and the Military Junta, and also because of the Church's stand on problems with Chile and the economic measures--came partly from the Hall of Justice, where apparently there is much uncertainty and change as well.

There is no doubt that these constant rumors, which have almost replaced the rule of law here, are due to the authorities' lack of cohesion. The majority of their objectives so far have not gone beyond mere pronouncements; or what is worse, announcements of contradictory actions, such as those concerning "continuity" and economic "corrections," which do not jibe with reality and often end up--sometimes fortunately--fizzling out.

The rumors intensified particularly in mid to late April, especially after Gen Galtieri's famous statements about presidential power. We have been assured, however, that they were not part of any concerted plan by the supreme command of the Army. Galtieri's luncheon with Viola, and the subsequent meeting with journalists, were arranged by telephone a few days earlier by aides to the commander and Gen Ortiz, on the initiative not only of the secretary of Public Information, but also of several Galtieri assistants. The purpose was to "prove" that the Presidency and the Junta have reached an understanding, and to squelch rumors to the contrary, fed at that time by the "secret" document. (In fact the

"proof" was very convincing). The tenor of the statements, we were told, owed simply to Galtieri's "peculiar temperament," as his friends put it. The consequences were fully recognized by a few people to be "undestirable" at the time. Today, we are assured, there is no confrontation between the president and the Junta, although from time to time in practice there are differences in feelings or perceptions (we might add that the National Telecommunications Company provides very poor service, and that it is not always possible to speak when one wants to whom one wants).

Be that as it may, the fact remains that reality makes up for what temperaments do not contribute. We do not believe there are many differences--or much difference--between Viola and Galtieri. But we do think there is--and are--between objective reality and the authorities' perception of it. However, every problem must be placed in the proper perspective, and everyone is free to believe what he will (which could lead to many varied opinions). The following, according to our sources, are the information and forecasts that are the basis for action on each issue.

Tensions With Chile

With the partial reopening of the border, Buenos Aires simply wanted to "back up" its positive response to the Pope's exhortation. It is hoped that Chile will now respond with a similar gesture. In the south, Judge Pinto Kramer has taken an "intransigent" attitude to the Chilean detainees. The two Argentine military officers who were kidnaped in Chile--whether or not they receive a speedy military trial--will supposedly return to Argentina after Pinochet pardons them. The pardon could also apply in Argentina to the alleged Chilean spies, without implying an "exchange" (?), we are assured. Buenos Aires and Santiago have both wholeheartedly accepted the Pope's suggestion that the situation be "rolled back" to that of April 1978, and that the two sides continue the negotiations in Rome on the Beagle in a "constructive" spirit, without peremptory deadlines. Changes in the chapter of the "proposal" concerning the "sea of peace" will reportedly be introduced at these talks. The idea of holding a meeting of the military committee last Thursday, to which Mr Camilion was invited--it is curious that a minister of foreign relations should attend this type of deliberation as a "guest"--was proposed to Gen Galtieri by the commander of another branch of the military. If the internal political turmoil in Chile settles down, in a few days--at any rate, no more than a month or a month and a half--the situation could clear up between the two countries. If Chile does not adopt a "reciprocal" attitude, the partial reopening of the border will certainly not become total.

Episcopal Document

One of the reasons for yesterday's postponement of the release of the assembly's document was internal political uncertainty and the recent wave of rumors, as well as tensions with Chile. The "modes" introduced in the episcopal declaration have not changed their basic general orientation, about which we reported recently.

Widow Peron

As part of their new strategy, the former president's defenders have decided to leave her in a sort of "defenseless" state, in juridical terms, in the case of the reserve funds. On this point, everything will depend on what the other two

Defendants, Gonzalez and Caballero, decide to do in their defense. Court I of the Federal Chamber denied their appeal. Friday, when the courts adjourned, Atty Juan Carlos Ortiz was named defender in the case of the reserve funds, to collaborate with Mr Sa in Caballero's defense. Ortiz and Sa will have exclusive professional responsibility for arguing the "unconstitutionality" of the prosecution of the former president that was begun after the above-mentioned proceeding. They will try to have the case dismissed in order to speed up the granting of the pardon. To study the possibility of a pardon for Mrs Peron, these attorneys have reportedly met with Mr Duranona y Vedia and other members of the military regime. High government officials are thinking seriously about the prospects for a pardon. The Junta and the Presidency would both like to get the matter over with as soon as possible.

Wages

In the next "package" there will be a raise of at least 20 to 21 percent, and not of basic contract pay but of total wages. The initial increment suggested by the Economy Ministry was 16 percent, and later the ministry raised that to 18 percent. The Armed Forces suggested much higher increases of 28 to 32 percent. For now, the Presidency has managed to compromise between the two positions with the 20-21 percent, but as of yesterday no final decision had been made. There are supposedly plans to grant another raise of 20 percent in September.

Military Retirement

According to our sources, a plan is being studied to cut the salaries of military and civilian personnel who hold high- and medium-level jobs in public enterprises. The reductions will be as much as 25 percent. Another plan is being studied whereby military retirees who hold public service jobs would no longer receive their pensions as long as they held those posts.

Antarctica

Among the highest levels of power there has been increasing concern recently with the future legal status of Antarctica. Adm Lambruschini's Friday speech at the Center for Strategic Studies was reportedly inspired by that concern, and its purpose was supposedly to prepare the nation to face those problems in the more or less near future.

MON

"Instrumental" changes will probably be implemented for the establishment of the so-called "National Opinion Movement" (MON), which many political sectors regard as an attempt to form the party of the "Process," despite official protestations of innocence. In Cordoba and other provinces, curious things are happening with regard to the "movement;" there is even an effort afoot to establish two MONs, one in exclusively military territory and the other among government officials.

Naming of Ambassadors

The explanations given regarding the delay of the approvals can only mitigate the fact that certain designations by Mr Camilion have not yet passed the Junta's

"test." That is what must have happened, for example, with the nominees for the embassy in Rome, among whom was--or is--Mr Schamts, who was opposed by one of the military branches. The name of entrepreneur Guillermo Diehl has been added to the list for the embassy in Washington, and Mr Muniz' name has been mentioned for Paris. Mr Ortiz de Rozas may stay on in London. But we reiterate that the Junta has still not decided in many cases.

Denationalization

Severe differences of opinion have been noted concerning the closing down and denationalization of state companies, including cases which appear to be very clear-cut, such as Austral. In the "secret" 26-page report delivered to Viola 4 days ago, the following appears: "Today's situation indicates: 1) that the state has taken on a business that is beyond help; 2) that the state, as of 21 April 1981, has contributed \$65.5 million through the National Development Bank (BANADE); 3) that the enterprise is not viable; 4) that the current recession in the commercial air transport of passengers makes the previous assertion even more significant; and 5) that no one knows the figures and indices that would indicate Austral's real situation, not even as of 31 December 1979, because the company did not turn in the reports repeatedly requested by the DNTAC [expansion unknown]." The report also states that "the promulgation of Decree 38/1981--of doubtful legality--burdens the state with a deficit for which it must take responsibility at the expense of the community," and that "failure to comply with Article 6 of Decree 1,922/80 would lead to an investigation of the responsibilities of acting officials in terms of their respective duties."

As can be seen, the document does not have any fat, so to speak. From what we have learned, the counteroffensive launched to prevent the total liquidation or sale of Austral, or of other corporations as prosperous as it is, does not have any fat either, although in another sense of the term. Confusion abounds, as do sectarian interests, even in the area of private activity (the latter being just as adept as the public sector at various kinds of cover-ups). Even prestigious firms have been forced to propose delays of salary payments to their personnel, which they have tried to dissimulate later so they would not have to explain--perhaps in anticipation of the rediscount--the serious nature of their problems. Sometimes they have been in such dire straits that they have been unable to pick up merchandise that has already arrived at the port of Buenos Aires. In short, there too there are plenty of Don Camilos and Pepones.

8926

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COLUMN DRAWS PARALLEL BETWEEN GALTIERI, LANUSSE

Buenos Aires LA NACION in Spanish 10 May 81 pp 8-9

[Article in the column "Political Week"]

[Text] Observers of military politics have begun to ask themselves if the current commander in chief of the Army bears more resemblance than all his predecessors to Lt Gen Lanusse.

It is not just the fact that they are both tall and affable that gives rise to this speculation after the first 40 or so days of President Viola's administration. But there is no question that their physical similarities, though far from absolute, invite comparison.

Four military officials held the office of commander in chief of the Army between Lt Gens Lanusse and Galtieri: Carcagno, Numa Laplane, Videla and Viola. They marked the beginning of the age of the infantry, after the long reign of the cavalry: Ongania, Pistarini, Alsogaray and Lanusse. Peron himself was from the infantry, and for some reason within his sphere of influence, the first day of the administration, on 25 May 1973, Campora eliminated the Army command as high up as an infantryman: Carcagno.

In the middle of the period of extreme violence, 1976 to 1977, it was not particularly easy to find a combat-experienced general who was capable of explaining what was happening with serenity, persuasion and judgment that went beyond the immediate circumstances. Gen Galtieri was not the only general with this aptitude, of course, but like few others he was able to paint such a picture for journalists and foreign correspondents who visited the office he occupied then as assistant chief of the Army General Staff. A good conversationalist, amenable and cordial, the general was considered by the press to be "soft," in the classification of generals as "soft" or "hard" that was practiced during those years, although for many reasons the system was erroneous.

Rosario, Palermo

Afterwards, Galtieri had direct command over troops, first in Rosario, at the head of the Second Corps, and then in Palermo, leading the strategic First Corps (which is now in the hands of Gen Antonio Bussi).

The new posts did not seem to change the physiognomy that observers of national politics thought they saw in Galtieri. From Rosario, at that time, there were reports that top flight politicians in democratic parties which supported the goals of the Process expressed the opinion that a favorable, qualitative change had taken place in their relations with the Second Corps as soon as Gen Galtieri took over.

Towards the end of the actions which resulted in the Military Junta's designation of Viola as president, there was not a single new fact to add to those that observers already had on the agenda concerning the choice of a new commander in chief of the Army by Viola himself, in late 1979. But after that time, in the first days of October 1980, a new element was added that had not existed before: during those negotiations, the Navy had let it be known that one of its candidates for president had been Galtieri.

It is difficult to know what different repercussions this kind of situation can have on people's consciences, but the fact is that the commander in chief of the Army had from the very first moment come out in favor of Lt Gen Viola in the Junta. In the background, the commander in chief of the Air Force had done the same thing. The Navy had also initially suggested that he would make a good candidate for the presidency as well.

The fact that after Lt Gen Videla stepped down as president, a basic calculation of the possibilities indicated that it would be practically impossible to repeat the very special friendship that existed between him and Lt Gen Viola, had to be taken into consideration at all times. In fact, no matter how carefully one scrutinizes contemporary Argentine military history, there is no comparable degree of mutual affinity and loyalty as in the relationship between these two men. It is even possible that a supreme effort should be made to find a similar phenomenon in the internal life of the political parties.

No Ties

Thus, in principle, it is natural that relations between the current president and Army commander in chief will not have the intensity and absolute mutual identification that existed in the relationship between Viola and Videla. If that kind of friendship was something that had not been present in Argentine military politics in many, many years, why should we expect it to be repeated immediately in another power relationship, without any interval of continuity?

All the implications of the fact that Viola and Videla were members of the same military class (the 73rd), so that they were classmates and also members of the infantry, are lacking in the Viola-Galtieri relationship. The latter graduated in the 75th class of the Military Academy, in the engineering branch.

After less than a month and a half of the Viola Administration, all indications are that the commander in chief of the Army is doing his job, for now, free of psychological ties to his predecessor, who anointed him. Moreover, his closest political advisers are a completely different set of people from those who served in that capacity when Lt Gen Viola was number one at Edificio Libertador. Not only has the Army changed its secretary general, that is, the secretary for political affairs, but the officers under that secretariat have also been changed.

Paradox

But there is more; and perhaps this is more important than everything we have said so far. Lt Gen Galtieri is in fact performing his duties with a vigor and temperament more reminiscent of those who in other times exercised strong leadership, as opposed to those who in more recent times acted less vigorously, and more attuned to ways of compromising.

From that standpoint, then, Lt Gen Galtieri is more similar to Lanusse than to any other immediate predecessor. And that fact is not changed even by the idea--paradoxical, of course--that since 1976 no one in the Army has more categorically and repeatedly stressed the supposed advantages of the system of government by colleagues, than he has.

Galtieri has placed so much emphasis during the past weeks on the predominance of the Military Junta over the Presidency, with the consequent repercussions, that it cannot be viewed as coincidental--once again the paradox--that the commanders in chief of the Navy and the Air Force have refrained from making any comment on the faculties that the Military Junta has exercised without interruption since March 1976.

What Was and Was Not Expected

The natural rules of the politico-military game dictated from the beginning that the commanders in chief of the Navy and the Air Force would be the ones to fulfill the task of affirming (and reminding others, if necessary) the existence of a commitment whereby the Army, the Navy and the Air Force would share symmetrical aliquots of power, in principle.

None of the commanders in chief of those two military branches--beginning with Adm Massera and Brig Gen Agosti--was so obtuse as to be unaware of how far the symmetry set forth on paper could be carried in practice. However, without exception they have complied with what was expected of them, particularly what the cadres of officers in their respective forces expected of them.

On the other hand, something quite different has always been expected of the commanders in chief of the Army. That is, they were to work to "strengthen" the presidency, regardless of what was agreed upon with the other military forces, simply because no one ever seriously thought that the presidency could be held by anyone other than a general, no matter who it was, in a regime such as this one. That is why there was such a severe political shock when Lt Gen Galtieri placed so much emphasis on the attributes of the Military Junta. We explained here at the time that sources very close to the commander in chief claimed that his statements at a luncheon with the president at the Casa Rosada were grossly misinterpreted in political circles.

However, afterwards there were statements by the commander of the Third Corps to the effect that the Junta has "total power." Given that Gen Nicolaides is publicly known to be a man of few words, rather than a loquacious person, the matter was even more significant. It is understood that Gen Nicolaides consulted with the Casa Rosada concerning a way to keep his statements from being accorded more importance than he thought they deserved. He was reportedly told that once the words had been said, there was not much that could be done.

Cesar's Wife

The unity of the Armed Forces is greater, much greater, than might appear to someone who was stupid enough to take seriously just one of the rumors that were circulating in Buenos Aires the day before yesterday. Those who frequent legal circles know full well what kind of unfortunate speculation was taking place there 48 hours ago. But what they certainly do not know is how such speculation arose: at an early hour, an allegedly "well-informed" source had quietly told members of the Supreme Court that the president would fall before the sun set.

As in the analagous case of Cesar's wife, it is not enough to "be;" one must appear to be what one "is," and therefore any event that provides fertile ground for misint-pretations or, worse yet, malicious rumors, is to be avoided.

In more general terms, this is valid for everyone. It is valid for Viola, who made the mistake of designating 19 advisers when he could have fulfilled some personal commitments in a more discreet manner that would not have played into the hands of those who are just waiting for him to make a faux pas, and could not resist taking advantage of an issue that is so inflammatory in a country that is not accustomed to "presidential advisers."

It is also true for Gen Liendo, who proclaimed that Peronism "is a valid interlocutor"--so much so that former Minister Harguindeguy opened the door for some of its most famous labor representatives--but without taking into account the hypersensitivity with which the most orthodox anti-Peronist sectors regard his moves.

Finally, it is true for Brig Gen Porcile, who with very poor timing said that the Peronist labor leaders "carry the same banner as I do." It is not because it is untrue that the majority of them have condemned the "red rag" of the ultraleft, but because that was not the best moment to say such a thing to the Armed Forces, which pay careful attention to what he says.

Navy, Air Force

It is curious to note that the collective tendency--in the parties, in business circles, etc.--has been not to ignore any of the mistakes made concerning the relationship between the Presidency and the Army leadership, but the smooth functioning of channels of communication between the Navy and Air Force and the Presidency has not been given the same attention.

Between September and October 1980, the Navy, as we said, was acting on the assumption that the designation of Viola as president was not the best possible course of action, but once the decision was taken by the Military Junta, that military branch did not do anything to hinder Lt Gen Viola's progress, as far as we know. On the contrary, Navy sources have pointed out, in response to our questions, that the government can count on full, genuine support from the Navy.

The Chile question, particularly the closing of the border following the arrest of two Argentine officers (who, according to reliable sources, did not do any of the things alleged by authorities of that country), has given us a good look at the resolute personality of the current commander in chief of the Army. These facts give an indication of his vigor, but there is no sign of any ideological differences on that or any other question with a president such as Viola.

In any case, with what we have to go on--both have expressed allegiance to the greater objectives of the Process--it can be said that Galtieri gives the impression of not being as interested as Viola in putting some distance between himself and Dr Martinez de Hoz and the implications of the final stage of the latter's management of economic affairs.

1983...

Recent statements by such key government officials as Gen Liendo--we are referring to what he stated on Thursday--are prudent in all aspects. Could there be differences of opinion between Galtieri and Viola concerning the pace of a political liberalization?

The man in the street, so to speak, tends to feel that the former prefers to tread more lightly than the latter, but there is no way to prove such a thing objectively. We would have to attribute more importance to what the Military Junta has said, for in the final analysis that body is experiencing, as the supreme entity of the system, one of its finest hours. That does not necessarily mean that this is one of the finest hours for the Process, however. The Military Junta has said in its "number two" orientations to the Executive Branch, that it should proceed with caution.

In the present circumstances, there are not, and we do not see how there could be, any significant differences at the highest official level concerning political actions. After all, the most pressing problems are in the economic sphere.

Given this state of affairs, we should have faith that too many people are wrong in asserting that we are just experiencing the first feints in the next designation of a military president. We have a professional urge to say this, because if the various problems that plague us today are not solved first, we will really need a crystal ball to know how that presidential designation will finally come about.

8926

CSO: 3010/1341

IGLESIAS ROUCO ON ISABEL PERON'S POSSIBLE PARDON, MASSERA

Buenos Aires LA PRENSA in Spanish 13 May 81 pp 1, 6

[Commentary by J. Iglesias Rouco]

[Text] Between the next 45 and 60 days, or sooner, the government is reportedly going to grant a pardon to Mrs Peron in the case against her for using the reserve funds. According to our sources, the study of the pardon has progressed considerably in recent days, and has also led to a series of meetings between the former president's new defense lawyers and advisers of Gen Viola and cabinet members.

Despite their statements to the contrary, Messrs Robledo, Luder and Arauz Castex brought the subject up once again yesterday with "Isabel" Peron, who apparently agreed with the political "strategy" planned by the Peronist attorneys. As we predicted, that "strategy" involves placing the president in a "defenseless" state in the case of the reserve funds, and trying to obtain at the same time a reduction of the 8-year sentence--or at least preventing a stiffer sentence--that was handed down by Judge Giletta in one of the remaining cases, which is currently being taken under submission by the Chamber. Her legal "defenselessness" is based on or derived from the allegation that it is impossible to prosecute a former president for the use of those funds. That argument would simultaneously aid the government in granting the pardon, which would coincide with the parole of the former president in July, when she will have completed two-thirds of the 8-year term given her by Giletta.

According to our sources, Mr Robledo and his colleagues have had several conversations on this subject recently with Messrs Romero Feris, Duranona y Vedia, the undersecretary of justice, and even with Mr Frugoli himself. At the Casa Rosada and in some circles close to the Military Junta, people are convinced that the plan is politically acceptable and even convenient, in view of the nation's political situation and the maneuvering by the Verticalist groups allied with the "Process" on the pretext of "Isabel's" captivity." Neither Viola nor the Junta, however, has given the final go-ahead for the plan.

Negotiations

Our sources indicate that the idea of the pardon has been firmed up after a series of negotiations concerning the steps that Mrs Peron would take immediately

after her release. As far as the government is concerned, these negotiations have had two principal slants or interlocutors: on the one hand, local Peronists, and on the other, the Torrijos brothers, who have already agreed to coordinate their actions with this plan. On this point we have been assured that a letter which a Justicialist leader sent to the Torrijos more than 2 weeks ago, pointing out that Hugo Torrijos should not "insist" that the former president stay too long in Panama after her release, has been accorded particular importance. The military regime as well as the non-leftist Peronists have been nervous until recently about the prospect of Mrs Peron's presence in that country giving the left more clout in the Justicialist movement. At the same time, the nuncio, Monsignor Calabresi, and dignitaries of the Argentine Church, have also sounded out Mrs Peron about this problem, and about her intentions in Panama. A similar move has been made by one of the defense attorneys, the one who came up with the "defenseless" scheme for the reserve funds case. On all occasions, Mrs Peron reportedly agreed with the idea of the pardon, and expressed her willingness to give a "discreet" political response if the pardon is granted.

That "discretion" would mean a trip of just 2 or 3 days to Panama, whence she would probably go to Rome to see the Pope. Next the former president would travel to Madrid, to "reflect" at her Puerta de Hierro residence about her medium- and long-term "political future." There she would make her final decision about whether to return to Argentina.

Old Friends Upset

The outcome of all this is already clear. Aside from the prevailing political confusion, for the moment, according to what we have learned, there are still those in the military who oppose or resent the pardon. At the same time, many Peronists who have never hidden their strong ties with Videla, and later with Viola, such as Messrs Osella and Rubeo, or Delia Parodi, today are dissatisfied because of the new government's lack of enthusiasm about dividing jobs among them. In this sense, these and other Peronists who are even closer to the "Process," such as Mr Matera, also note with alarm the "feelers" that certain official groups have sent out to the Verticalists and the labor sectors under the leadership of Mr Lorenzo Miguel. They are concerned, for example, about the "facilities" found by Mr Felipe Romeo, linked at other times with Mr Lopez Rega, for the publication of his magazine PROPUESTA. That magazine is reportedly indirectly backing the General Labor Confederation (CGT) of Lorenzo Miguel, and also Peronists who have previously been called into question, such as Mr Rodolfo Ponce, the former labor leader of Bahia Blanca who was a fugitive for a long time, or Mr Papagno, who was linked by some to the Graiver group in 1976.

Cuneo Group

The centrist or "moderate" Peronists' dissatisfaction is not, however, unique. Other political sectors which until March were reputed to have excellent relations with Gen Viola's team are now moving toward a totally critical position vis a vis the Casa Rosada. Among them are many parties and small groups of the Popular Federalist Forces (FUFEP), which in most of the provinces and the central government have been displaced by what they call the Cuneo group (after the colonel of the same name who is now deceased). Two of their most noted "executives" are

Messrs Rosendo Fraga and Alberto Gollan. Mr Gollan, who controls Channel 3 of Rosario, for example, is reported to have a certain influence over the "denationalization" of radio and television stations, a process which has just begun, although still only on paper. The new critics of the Presidency point to Fraga's political predominance in the government's secret or clandestine contacts with the parties, which he must have obtained by imposing on men such as Mr Ricardo Jofre, former undersecretary of the Presidency and an old cohort of Gen Villarreal. It is difficult to know to what extent the new critics of the government are right, but politicians who at the end of 1980 appeared in Viola's supposed entourage, such as Mrs Cristina Guzman, are now far from power, or in very insignificant posts (Mrs Guzman is director of the Casa de Jujuy).

As if that were not enough, the nominations for mayors in the province of Buenos Aires are also causing a furor, even ahead of time. Yesterday when the partial list of mayors was announced, the failure of Mr Cordasco's candidacy for Moron was a surprise (Rodriguez, the accountant, will stay on there). Also noteworthy was the replacement of Col Cambor in the great municipality of La Matanza, where his administration was popular. According to independent sources, Mr Salaberry's chances for being named mayor of Lujan--Salaberry has the support of Manriquist groups--have been outdistanced by those of Mr Tardio, who had ties before 24 March with Mr Bidegain, of the left wing of the Peronist movement.

Massera Criticism

Officials who played a major role in the initial stages of the "Process," such as Adm Massera, are also putting more and more distance between themselves and the military regime. According to our sources, tomorrow the former Junta member will release the first of a series of critical statements which will culminate with a signed article in his new magazine CAMBIO on 22 May, on the only "legitimate political legacy" that he feels the "Process" should have: the "free play" of democratic institutions.

Tomorrow at the Formosa Bar Association the admiral will read another statement concerning the state's role. He will point out that he does not "agree with the turn the Process has taken," and will object to the "candor" of some "compatriots" who believe--says Massera--that "democracy is created in the government." Next week, Massera will put out another statement in which he will present a rather severe analysis of the 5 years of the "Process."

8926

CSO: 3010 /1341

BRIEFS

JUNTA DISCUSSES POLITICAL STATUTES--The Military Junta met yesterday from 0900 to 1100 hours to consider the studies undertaken by the ECI (Inter Branch Coordination Team) concerning the future legal income that will govern the development of political activity. Those norms include guidelines for the future political party statute. In 1980 the above-mentioned team, along with the previous undersecretaries general of the Armed Forces, was commissioned to draw up guidelines for the Interior Ministry to hold political dialog meetings and consultations with entities and persons representing various sectors. Those guidelines were to be subject to Junta approval. At present, the task force is headed by the undersecretaries general of the Army, Navy and Air Force, Brig Gen Hector Norberto Iglesias, Rear Adm Guillermo Arguedas and Brig Gen Marcelo Bonino. The Military Junta's analyses will continue in upcoming sessions, and later they will be turned over to the Executive Branch. Then another stage will begin in the Interior Ministry to write the future legal statutes, and next the drafts will be considered by the Legislative Advisory Commission. Once the study has been completed on that level, the Executive Branch will promulgate the statutes as laws. The official report on the meeting stated only that "aspects concerning national affairs and the progress of the National Reorganization Process were discussed." [Text] [Buenos Aires LA NACION in Spanish 6 May 81 p 5] 8926

CSO: 3010/1341

WORKERS PARTY ATTACKS PINDLING'S 25 YEARS

FL281835 Nassau THE TRIBUNE in English 25 May 81 p 1

[Excerpts] The minority Workers Party today made a stinging attack on Prime Minister Pindling for preparing to celebrate 25 years in parliament, saying the mass of black people had nothing to celebrate.

It was the first public statement critical of the silver anniversary celebrations being launched by the PLP [Progressive Liberal Party] on behalf of their leader.

The black people, with the exception of the PLP, have nothing to celebrate in June, 1981, outspoken party leader Rooney Moncur charged in a press statement.

"During the entire 25 years that Lynden Pindling has been a member of the House those who have some and want more have ruled over those who have none and want some," said Mr Moncur.

"Today, poor people are unable to produce the election deposit. Therefore, they are unable to contest the election. A bankrupt person cannot be a member of parliament and every poor man is bankrupt," Mr Moncur said.

In 1956, said Mr Moncur, Lynden Pindling was concerned that foreigners were being brought into the country to take work from Bahamians. In the 1960s, he led several delegations to the United Nations Committee on Colonialism concerning the problem.

"Today the PLP government is one of the main culprits, bringing in foreigners to take work from our people.

In 1956, he said, PLP leaders were concerned that "Conchy Joes" had brought Chicago gangsters to Nassau.

"Today, under the leadership of Lynden Pindling, this Christian country is riddled with gangsters to such an extent that Fidel Castro, in all his Godless, communist arrogance, cruelly insults and calls this a haven of the American underworld.

"Years before, Mr Pindling started championing the cause of the black poor, a commission of inquiry opened by the Duke of Windsor after the 1942 riots, recommended that our islands be represented by residents," Mr Moncur said.

"Even though local government was a point of the PLP's platform in the early years, our islands today are still represented by Nassau-based politicians."

When one comes right down to it, Mr Moncur claimed, black people, with the exception of the PLP, have nothing to celebrate this independence day.

CSO: 3025/1015

EDITORIAL SUPPORTS TOUGH POLICY ON RETURN OF EXILES

Santiago LA TERCERA DE LA HORA in Spanish 20 May 81 p 3

[Editorial: "Return of Exiles"]

[Text] The accidental explosion of a bomb, which was supposed to be used in an assassination attempt, enabled authorities in the 5th Region to arrest the extremists Carlos Reyes Vilches and Ana Cristina Musa Mathiesen in Valparaiso. Both belong to a socialist group and abundant subversive material was found in their possession.

A report from the Ministry of the Interior noted that Ana Cristina Musa left the country in January 1974, following her husband, who found asylum in the Embassy of Venezuela. She returned in October 1980 with her two daughters, maintaining that she was separated from her husband and, for humanitarian reasons, demanding that she be allowed to return home. She reported that she had never engaged in any political activities and that she was ready to abide by legislation in force.

Because of the above-mentioned background information it was decided to authorize her entry. Today, only 7 months later, the woman clearly appears to be implicated in extremist activities which prove the falsehood of her statements.

Episodes such as this one prove how right the government authorities are when they turn out to be particularly strict regarding authorizations for the return of many exiles who also claim humanitarian reasons.

It is undoubtedly painful for many persons to be far from the homeland and from their loved ones. But that can in no case constitute an excuse for the violence-oriented attitude, nor for their intentions to violate law and order in a system under which the majority of the population lives, working only to achieve progress and growth.

When events such as this one take place, all national or international arguments --which claim human rights as the central cause for authorizing the massive return of expatriates--lose their validity. In this connection it will be good to keep in mind that there may possibly be honest exiles who are ready to return without causing problems. The trouble lies in spotting them and making sure that they are not lying once again. It would be feasible to conclude now that the arrest of Ana Cristina Musa was a heavy blow to all of them.

This objective reason and none other was behind the Ministry of the Interior's statement: "The administration will maintain its unalterable and strict posture on the topic of the exiles, in the sure knowledge that this is the only right way to do its duty of guaranteeing the security of the people of Chile and serving the authentic cause of human rights."

5058

CSO:3010/1384

ADMIRAL MERINO DISCUSSES OIL, SHIPBUILDING, FISHING

Santiago EL MERCURIO in Spanish 21 May 81 pp C-3, C-5

[Interview with Adm Jose Toribio Merino Castro: "Shipyard Can Build 100,000-Ton Vessels"]

[Text] Complete overview of country's maritime situation and available resources. Adm Jose Toribio Merino Castro, commander-in-chief of the Navy and member of the Government Junta, pointed out that ASMAR (Naval Docks and Yards) is capable of building vessels of up 100,000 tons displacement and that the technological efficiency achieved by personnel of Naval Shipyards "equips the establishment to build any type of ship, even the most sophisticated ship, in other words, warships." The exclusive interview was granted to EL MERCURIO on the eve of the celebration of Day of Naval Glory and the 102nd anniversary of the Naval Battle of Iquique; the admiral answered a series of questions concerning the country's maritime potential, such as the current level of fishing activities, shipbuilding, petroleum prospecting on the ocean bottom, and other topics of interest. Here is the text of the questions and answers.

Maritime Potential

EL MERCURIO: Chile is a country with a long coastline. What importance do you assign to the maritime potential and its effect on the country's future?

Admiral Merino: We cannot overlook the fact that the ocean is the only means capable of linking Chile completely with the rest of the nations of the world since more than 95 percent of its foreign trade traffic is handled by sea. This situation is tremendously important in terms of national security and especially regarding the country's economic potential so that, if maritime transport were to be cut off, the country would be irremediably and totally isolated and unable to survive.

On the other hand, in view of the vast length of the country's continental and island shoreline and to grasp the importance of our ocean better, I consider it necessary to go into a prior comparison between the capacities of ocean and land facilities and installations as sources for the storage of the country's resources.

The total volume of our ocean and continental shelf environment, using pertinent parameters in this calculation and looking at our 200-mile exclusive economic zone, is 3.38 times greater than our continental, island, and Antarctic territory.

Comparing both of these volumes, we can say that the ocean environment can contain a diversity and quantity of wealth much greater than those on our national territory.

By looking only at the ocean's capacity, we can gauge the value and the importance, to the country's future, of the complete and overall exploitation of our marine resources, in their entire broad range, which, among other production sources, includes energy, mineralogical, and biological sources.

The known maritime resource potential--only in the exploited portion--is concentrated in a small fraction of our total ocean volume so that practically 90 percent of the latter have not yet been prospected or surveyed and therefore not used either.

Consequently, if the output currently coming from such a limited space, is becoming increasingly significant to the nation, we can imagine what the country's future social-economic upswing would be if our maritime exploitation were to become complete and total.

Merchant Marine

[Question] Looking at the National Merchant Marine, you, Admiral, have said that its tonnage has kept declining starting in 1979 in spite of the law passed especially to provide incentives for its development. How did economic policy influence that situation?

[Answer] The purpose of passing DL [Legislative Decree] No 5,059, of 1979, was primarily to implement the urgent need for marking this important sector, which is governed by special standards, in the context of the economic policy which the administration applied to all fields of national activity for the purpose of setting up special areas and helping toward the common good deriving from the decline in costs springing from free competition.

Although it is true that Chile's overall development has been enriched following the implementation of that law and although the management of shipping companies, by adopting skillful and intelligent measures, has maintained an acceptable rate of economic growth, the same has not been true with respect to the development of the merchant fleet itself which the country needs in order to safeguard its maritime autonomy and to meet the needs of our national security.

Chile as a matter of fact must urgently make sure that its merchant fleet will constitute an asset that will support and safeguard its survival in any situation which it may have to face.

This asset cannot be avoided or neglected by the state since that is the only way we will keep all those maritime shipping activities going which the country needs and which, if they are not totally met, will inevitably cause the paralysis of the entire nation.

We must necessarily conclude that the serious risk, mentioned earlier, cannot be avoided exclusively through the existence of a merchant fleet that is quantitatively and qualitatively in line with Chile's overall needs; this also calls for adequate land transportation and an efficient infrastructure in view of the close inter-connection and supplementary relationships that must necessarily exist between both sectors.

In this connection it must be said that the current imbalance in the activities of both areas did not originate recently but frequently came up on different levels throughout the country's history. Nevertheless, what is today a problem difficult to reconcile with national economic policy in this respect appears as a reality that is not in keeping with the country's shipping tradition, since this sort of thing has never happened over such long periods of time in the country's history and since we rapidly and effectively corrected the situation in the past when the critical level was reached on certain occasions.

As a matter of fact, from the dawn of our independence onward, a definite orientation toward the sea began to emerge in Chile both on the government level and in private circles.

Just 10 years after having declared itself independent, the most remote and the poorest of the former Spanish colonies ruled without counterpart in the Pacific and in the Orient; the national flag flew over the entire ocean and its solitary star, waving atop the sails, shone in the ports which our merchant fleet today does not put into.

But that is not all: just 40 years ago, the Chilean nation pioneered in the world concert of maritime nations when it was the first to institute integrated multimodal transport, leading to the establishment of what we now call the Maritime Enterprise of the State; at that time however it was called simply FERRONAVE, due to the fact that the seaward orientation of our people was much more realistic and in line with the country's maritime essence, much more so than is the case today; that name with much greater clarity and certainty expressed the mission of that enterprise which is to establish compatibility between maritime and land transportation systems.

Fishing Industry Situation

[Question] What is the current level of fishing activities, both industrial and crafts, and what are the exploitation projections?

[Answer] The total catch put ashore in 1980 was something like 3 million tons and that was shipped to the extent of 97 percent to industry (93 percent for fishmeal and 4 percent for frozen fish and canned fish, leaving 3 percent for fresh fish consumption).

During the period between 1975 (marking the start of private control over this activity and the end of the grant of incentives) and 1980, the value of fish caught rose from \$42 million in 1975 to \$211 million in 1980, in other words, a 500-percent increase.

The value of fish caught by the crafts subsector in 1980 came to \$50 million, accounting for 30 percent of the national total. The value of maritime product exports in 1980 came to \$380 million; compared to 1975, when the figure was \$51 million, that is an increase of 650 percent.

The annual growth rate of participation by the fishing sector in the generation of the national gross geographic product has been one of the highest over the past 5 years, fluctuating between 11.6 and 33.6 percent, demonstrating the extraordinary dynamics of that sector.

What I have just said--as I pointed out earlier--places the country among the world's five most important fishing nations, considering all species of fish caught in 1980.

Except for krill, its short-term development prospects would spring from better utilization of fish caught through an improvement in the value added to the raw material, keeping in mind that right now more than 80 percent of the catch is processed for oil. These objectives would be implemented if the market had a clear understanding of the significance of frozen and canned products; besides, the profitability of these processes would go up if the output were greater. The big national enterprises, including the rendering plants, have started a process of automation for turning out cans and frozen products; this, together with low costs and improved access to the foreign market, should compensate them for reduced profits from their rendering line in view of a possible shortage of fishing resources.

Shipbuilding

[Question] What is the shipbuilding situation in Chile? What is the role of ASMAR in the development of that branch and what is the shipbuilding plan as such?

[Answer] The national shipbuilding sector comprises a government area and a private area.

The system of government shipyards consists of ASMAR, with its plants in Valparaiso, Talcahuano, and Punta Arenas. Shipbuilding activities in those plants are concentrated in Talcahuano and Punta Arenas although they also handle all kinds of repairs, including the ship's structure, machinery, and on-board equipment, regardless of the level of sophistication.

ASMAR-Valparaiso handles any kind of repair and conversion work for the fleet, also supporting the shore-based industry in the metal-working area.

The wide variety of shipbuilding projects handled by ASMAR, its great experience in any kind of repair of work, the quality and capacity of its infrastructure facilities permitting it to build vessels up to 100,000 tons, and the technological efficiency of its personnel enable it to build any type of ship, up to the most sophisticated ones, in other words, even warships.

In the ship repair area, ASMAR is getting an ever-growing flow of vessels from all nations. In 1980, this activity experienced an increase of 130 percent compared to 1979.

This time, ASMAR is building two light transports for the navy at Talcahuana which will be launched at the end of August of this year.

The short-range program of this shipyard involves starting the construction, during that month, of a floating dock for Valparaiso which will be able to handle repairs for a good portion of the national and foreign merchant fleet stopping off at this port. That dock has a lifting capacity of 10,000 tons and a displacement of some 4,500 tons.

In the near future, it will build a second drilling platform and it might even be feasible for it to turn out a large number of these devices as well as petroleum drilling rigs for various South American countries.

I can therefore say that ASMAR has an assured shipbuilding and ship repair market which is highly worthwhile and profitable, provided it obtains special mechanisms permitting it to compete on the international market in this branch. Finally, I am sure that this enterprise can entirely accomplish its task with efficiency equal to or superior to the world's most prestigious shipyards even when it comes to building and repairing technologically most complex vessels.

The national system of privately-owned shipyards is essentially made up of the plants of MARCO in Iquique, ASENAVE in Valdivia, and KOCHIFAS in Puerto Montt.

This complex has attained significant and sustained development in the construction and repair of smaller ships with displacements fluctuating between 300 and 500 tons, contributing extraordinarily to the dynamic evolution experienced in recent years through fishing, port, and transportation activities, especially in the southern and eastern sectors of Chile, as well as efficiently supporting the industrial enterprise activities in the country's maritime sector; it did so by contributing various types of vessels launched and repaired on its slipways, such as fishing vessels, roll-on-roll-off vessels, ferries, and even barges and dredges.

Present and Future of Petroleum Extraction

[Question] What importance do you assign to petroleum prospecting in the country's ocean bottom areas?

[Answer] The extraction of hydrocarbons today is an obvious reality in which Chile participates actively, thus getting into this new technology. As of June 1980 we have been capable of taking out 34,000 barrels of crude per day, representing 41 percent of national consumption. It is interesting to point out that the Costa Afuera [Offshore] project turns out 62 percent of the total national crude output. These statistics are averages. At the same time, prospecting vessels and devices are exploring our continental shelf, seeking indications of petroleum in the sedimentary basins, between the Maipo and Biobio rivers. The problem here is to spell out the petroleum potential of this worthwhile sector which, by itself, constitutes a small portion of the country's continental shelf, covering an area of 10,000 square kilometers between Valparaiso and Cape Horn, but which nevertheless does represent an important step toward an overall knowledge of the country's petroleum reserves.

Multimetallic Nodules

[Question] Apart from petroleum, what other wealth is contained in the ocean bottom within the 200-mile limit?

[Answer] In addition to what we already know and what has been sufficiently publicized by the media, there are multimetallic nodules, also called manganese nodules, because of the fact that this element is represented most of all, as compared to copper, cobalt, nickel, and others in the area, totalling around 20 different metals.

In the case of Chile, there are vast areas of deposits of multimetallic nodules within the exclusive economic zone; but the greatest concentration of these elements is found on the ocean bottom beyond the 200-mile limit and the continental shelves of the coastal countries.

Because of the enormous importance of these deposits in the future, in political-economic and legal terms, the UN had to intervene in this matter and, in a general assembly, through Resolution No 2749, dated 17 December 1970, the UN declared that the international zone of marine and ocean bottoms and their subsoils beyond the limits of national jurisdiction are "the common assets of humanity" and that their exploration and exploitation must be conducted to the common benefit of mankind. Well now, since 1974, when the meetings of the Conference on the Sea began in Caracas, the above had been ratified but, at the last meeting, some governments asked that the treaty once again be submitted to revision and this is the stage we are in now.

The Sea: Source of Wealth and Prosperity

[Question] Do you think that there is a national awareness as to the importance of the sea and its wealth regarding the country's future?

[Answer] We have traditionally been concentrating on our wealth ashore without considering the enormous potential located in the marine environment; but we must realize that, right now and gradually, the population has become increasingly aware of what the sea means as a way for even more stepping up the country's social-economic growth; on the other hand, the navy has always had the primary concern of making sure that Chile will go down to the sea in ships, that our people will realize that there is an area 4,000 kilometers wide, opening up toward it, and that Chile therefore is definitely a maritime country. The navy has been permanently trying clearly and objectively to demonstrate the reasons that make Chile a country with a latent and promising maritime potential which must be turned into an inexhaustible source of wealth and prosperity. This topic has been taken up in such a way that the average Chilean, especially the young people, can grasp this reality and feel involved in it, considering it a challenge to be faced with every effort so as to promote Chile's maritime potential to its fullest.

Appeal to Fishing Enterprises

[Question] How do foreign fishing vessels (Soviet, Cuban, and others) affect the interests of Chile in their fishing expeditions in the immediate vicinity of Chilean

territorial waters? What other type of activity are these fishing vessels engaged in and how could those activities affect Chile in terms of its sovereignty and national security?

[Answer] There is no Soviet or Cuban fishing vessel that is doing any fishing in the immediate area of Chilean territorial waters which extend only up to 3 miles out. It is true that they do fish outside our exclusive economic zone, that is to say, beyond the 200-mile limit. Now, although they are doing lots of fishing in that area, we do not know exactly how that could affect the national interests which is why it is a good idea for the Chilean fishing enterprises to be present in those areas likewise in order to prospect, to investigate, and to catch fish in order to evaluate what wealth or possibilities of exploitation can exist there (outside the exclusive economic zone); this, at best, would turn out to be very profitable in view of the proximity of base ports in relation to the other foreign fishing vessels which, to get here, must cross an ocean and sometimes two oceans in some cases.

As for the second part of your question, I believe--and we may certainly assume--that, in addition to their fishing, they are doing other kinds of work which I am not going to analyze or mention right now but which we are quite aware of.

[Question] What happened to the research studies and practical activities conducted regarding the exploitation of krill? What are the results of the investigations? Is the exploitation of that resource feasible in short-range terms?

[Answer] During 1976, the Fishing Industry Development Institute conducted various survey cruises designed to evaluate the krill distribution zones and the volume of krill to be found there. We can consider it to be a latent potential with great possibilities which in the future will directly influence the nation's social-economic growth. But we would still have to conduct a broad market study before we can go into the industrial exploitation of that resource; as we know, the catch that was made during those cruises for research purposes included a portion that was sold domestically and it was received rather well among the consumers.

We find krill primarily in Antarctic waters and near the coastline; there are no obstacles to catching and exploiting krill since Chile in September 1979 signed the Convention on the Conservation of Live Antarctic Marine Resources in Canberra, Australia; this act will soon be ratified by the government of Chile since the latter at no times opposed the Antarctic Treaty regarding the conservation of Antarctic fauna and flora.

5058

CSO: J010/1384

CONSTRUCTION OF PILLAN AIRCRAFT REPORTED

Santiago EL MERCURIO in Spanish 11 May 81 p C-5

[Text] The country will actively get into the aviation industry with the construction of the "Pillan" aircraft whose research and design were accomplished entirely by the Chilean Air Force.

EL MERCURIO was able to get an exclusive story on the background of this project. According to information supplied at the Maintenance Wing of the FACH [Chilean Air Force], the first aircraft of this type is already flying in the United States where an evaluation of its performance characteristics was conducted. It is expected to arrive in Santiago by next September.

"The aircraft is intended as a basic trainer: it is a two-seat, single-engine, and fully-acrobatic aircraft, with which trainees at the Captain Avalos Aviation School will be able to practice flying at a low operating cost," remarked Squadron Commander Patricio Gaete, who is specializing in aeronautical engineering.

Teamwork

An important part in the materialization of the project was handled by Air Force Gen Fernando Matthei Aubel, the commander-in-chief of the Air Force and a member of the Government Junta; he also participated in the design of the "Pillan." "The commander-in-chief of the Air Force is the author and creator; he contributed his ideas and his incentives to the personnel through his tenacity and growing interest," the source told us.

The following also collaborated closely with the Air Force commander: Aviation Gen Javier Lopetegui Torres, chief of staff of the Air Force; the general officer corps and, especially, the Directorate of Engineering, which is under Engr Gen Fritz Dreyers, as well as the Maintenance Wing.

"Practically half the Air Force is represented in this project, from the high command to the pilots, engineers, electronics technicians, mechanics, etc.," noted Commander Gaete.

The announcement of the manufacture of the "Pillan" came from General Matthei last March, marking a new anniversary of the FACH at the El Bosque Air Base. The first designation given to the aircraft was XBT, which was modified to read "Pillan," a typical word of the valorous Arauca tribe.

Characteristics

The first investigations leading to the decision to build that type of aircraft, for military pilot training, were conducted early in 1980.

Right now the aircraft is at Lakeland, Florida. It is a low-wing aircraft with an aluminum fuselage and a "semipocket" frame. It is 7.97 m long and has a wing span of 8.81 m; it is 2.34 m high. The wing surface is 3.64 m and it is powered by a Lycoming AEIO-504, 300-hp, 2,700-rpm piston engine.

It can attain a maximum speed of 238 km/hr at sea level. Its climb rate is 6.3 m/sec. The seats are arranged in tandem, one behind the other.

The production of this type of aircraft will be facilitated through the employment of teams and tools used in the outfitting of Piper Dakota aircraft at the Maintenance wing of the Air Force which is at the El Bosque Air Base. The great success attained in the process of outfitting and assembling these aircraft was a valuable incentive and provided great experience for drafting the plan destined to build aircraft in Chile, this putting the country on a par with other countries on the American continent.

It must be pointed out that countries such as Argentina are making aircraft, like the Pucara, a combat aircraft, while Brazil has a well-established aviation industry turning out aircraft for various missions for the armed forces.

In Chile we are already making spare parts for the Piper Dakota, a job which is done on the basis of patterns. When necessary, we will have the services of national industrial establishments which will supply some basic elements for the construction of the Pillan, an aircraft which will symbolize the creative spirit and high degree of professionalism in the FACH.

5058

CSO: 3010/1384

SOVIET PEACE OFFICIAL DISCUSSES WORLD PEACE

Havana VERDE OLIVO in Spanish 3 May 81 p 18

[Article by Iosif Batiev, APN correspondent in Havana: "Peace Will Vanquish War"]

[Text] Academician Yevgeniy Federov, Hero of Socialist Labor, chairman of the Soviet Peace Committee and member of the Presidium of the Supreme Soviet of the USSR, talked to the APN correspondent in Havana, Iosif Batiev.

"The resolutions approved at the final session of the WPC presidency reveal the persistence of the problems examined by the fighters for peace. Comrade Fidel Castro's attendance and his magnificent speech are testimony to the great attention the Cuban Government gives to this meeting and its significance.

"This session is the first world forum of the fighters for peace held after the 26th CPSU Congress. The Havana meeting shows how well world public opinion accepts its ideas and initiatives.

"As is known, the administration of President Reagan and his predecessor chose a path that worsens the international situation. The planet waited: what will Moscow answer? From the rostrum of the 26th CPSU Congress, comrade Brezhnev spoke calm and firm words in spite of the many provocative statements aimed at the Soviet Union. He proposed constructive and peaceful dialogue, mutually favorable measures to resolve all international problems. Those who spoke at the session talked about the value of these undebatable proposals presented by comrade Leonid Brezhnev. They greatly appreciated the readiness of the Soviet Union to solve all international problems through dialogue. It is the only solution to safeguard peace; the world has no other alternative.

"The participants in this session return to their countries and will speak, as world progressive opinion, about what the WPC represents and the acceptance of the peaceful proposals of the USSR. That is very important because the dangerous course chosen by the United States and some of its allies is continuing with violent anti-Soviet propaganda. The so-called 'free' and 'objective' press organs issue a torrent of lies to their citizens in order to spend more and more money for the arms race--that is, to increase the enormous profits of the military monopolies --under the false pretext of a Soviet military threat.

"A large number of representatives of developing countries and nonaligned countries participated in this session. They all exposed imperialist attempts to call the peoples' natural desire for liberation a demonstration of international terrorism. Each of those delegates will explain to his country the danger of the imperialist attempt to falsify the role of the Soviet Union and Cuba which it accuses of actions of international terrorism.

"I want to emphasize that the session took place during the commemoration of the glorious Bay of Pigs victory. The young Cuban revolution defeated attackers organized by the United States 20 years ago. This first military battle of the Cuban revolution and this first military defeat of the United States in Latin America is an example not only for the peoples of Latin America but for all those who fight for their independence and freedom. This idea was very well expressed in the speeches by the delegates from Nicaragua, El Salvador, Angola and other countries."

Then academician Fiodorov gave his impressions about his stay in Cuba.

"The first day of rest after the session, our Cuban friends invited us to Varadero. This day, like all the others when there is a chance to rest here, was marvelous. We enjoyed the beach and the sun of Varadero. I have been in Cuba many times. The first time was in 1966 when I visited this island of freedom as head of the Soviet hydrometeorological service in order to learn how our Cuban colleagues work. After that visit, I came several times because of scientific problems and as vice president of the WPC. Each time the positive changes in the lives of the Cuban people made me happy. My more important impressions are Cuba's success in the construction of socialism and the unbreakable and firm friendship between our peoples.

"In conclusion, in the name of the Soviet delegation and all the participants in this event, I want to thank the Cuban Government and our friend and comrade Fidel Castro for the magnificent organization of the session and for the hospitality shown to all of us."

7717

CSO: 3010/1335

FAR CIVILIAN WORKER LEADER NOTES UPCOMING CONGRESS

Havana VERDE OLIVO in Spanish 3 May 81 pp 54-55

[Article by Elder Santiesteban: "A Victorious Union"; passages enclosed in slant-lines printed in boldface]

[Text] The general tasks of SNTCFAR [National Union of FAR Civilian Workers] have increased recently. As a salute to 1 May, it is carrying out an extensive program of activities and has made an enormous effort on several fronts. Jose Antonio Roque, chairman of the organizing committee for the fourth congress of that organization, announced this in an interview with VERDE OLIVO.

On the occasion of the /International Day of the Workers/, the union began an emulation plan that has had very good results. There will be a review of this activity on 13 May and, according to Roque, it will be very difficult to name a winner "because all the sectors have distinguished themselves." The indices range from fulfillment of tasks, the production quota and publicity to others like contribution to the territorial militia, finances, fulfillment of individual pledges, participation in sectorial plenaries and mobilization to the plaza on 1 May.

The enthusiasm about this date has also given impetus to other tasks like /the battle for ninth grade/ with 93 percent promotion and membership in the Jose R. Rodriguez Worker Social Club that was in first place among those of its type. The festive atmosphere of the date has been emphasized by billboards and murals, decoration of many work centers, debates and meetings.

According to Roque, all the sectors hold plenaries to commemorate this date. The program is particularly busy in Havana and Ciudad de la Habana provinces, e.g., the huge march of the civilian workers planned for 22 May at the Yuri Gagarin Military Industrial Enterprise. "In the gigantic chorus that will perform at the plaza, we will be represented by 120 comrades. We will have two distinguished collectives in the 1 May parade. The first is the Fabric Aguilar Noriega Brigade. In spite of beginning late, it had completed 2 million arrobas of cane by 15 April and comrade Isaac Buides Cabrera has already accumulated about 76,000 arrobas with an average of 810 arrobas a day. The Grito de Baire Enterprise will also march for our union as the best of its type in the FAR and in the union for 5 consecutive years."

The chairman of the organizing committee of the fourth congress stated that there will be a big dinner at the union club for 1 May. The 20 distinguished workers who will represent us on the platform--vanguards from the different provinces--the million arroba brigade, the foreign delegations and the members will participate.

Roque emphasized: "Our workers are prepared to assemble en masse at the plaza and celebrate the largest 1 May in the history of our country."

The talk with the union leader turned to experience obtained in this emulation. He announced: "We are already preparing a new stage in the emulation to salute 26 July." He added: "Fidel said that we must multiply ourselves by two, by five, by ten. The FAR civilian workers must be the first to do the work of the comrade who is not here, the one who left to carry out a mission. We are sure that this is happening."

Speaking of /the tie between tasks of production and defense/, Roque stated that our workers must be ready at any moment to take a rifle in their hands. However, the best contribution is fulfillment of all the missions assigned by the superior command and fulfillment of the production and service quotas of our respective military units. "Here is our raison d'etre: to guarantee technology, repairs. The greater our labor effort, the more we will contribute to the combat and mobilization readiness of the FAR. The builders, for example, play a decisive role in their necessary but anonymous work. All the civilian workers have a very definite job in defense."

"If there was ever a time that demands effort and discipline, it is now," the leader emphasized. "We are working to strengthen the role of the union at all levels. We must reinforce its authority and that of its leaders, but this is done in direct work, with the force of example."

He recalled that /SNTCFAR was a fulfiller in the Second Congress emulations/. "We received the banner from the commander in chief. The most important result was that 97 percent of the centers fulfilled their production or service quotas, a 14-percent increase from 1979. About 88 percent of the workers fulfilled their emulation pledges. This is a considerable figure considering that 90 percent of the workers made pledges. There was a savings of more than 1.5 million pesos in the established plans with about 500,000 pesos due to innovations and increased efficiency. There is serious work to be done still in this field which we will continue increasing. The manufacture of spare parts not only for the FAR but also for other organisms also increased."

Then the leader of the FAR civilian workers referred to a set of tasks that have priority for the organization and require special efforts. One of those activities is improvement of /payment of union dues/. "We think our union should take first place in this between May and June. We trust in the human and revolutionary quality of our members. In some cases, the difficulties stem from management problems. It is necessary to improve management and to give dues their true political value as a way to tie the worker to his union."

He also spoke to us about the /present stage of the annual emulation/ dedicated to the 10th WFTU Congress. He said: "To become fulfillers, we must fight for the

fulfillment of the individual pledges. Each worker must compete with himself and others and between departments, work centers and sectors. The day dedicated to 26 July must provide better control of activities and strengthen the competition between similar units. This is a good opportunity to make plans with more ambitious objectives."

Jose A. Roque stated: "We are involved in a campaign for the economic education of union members so that they increase their participation in the administrative management of the center. In this way, their work in the production and service assemblies will be strengthened."

Among other activities, special attention is given to the female sector. There were activities with this sector at the local, enterprise and sector levels. Now a seminar is being prepared to analyze the problems of the working woman at the national scale.

Another focus of the union is related to /the application of labor safety and hygiene measures and the prevention of fatal and serious accidents/. This aspect is being analyzed in the labor centers in order to take pertinent measures.

"The application of existing labor legislation and the general improvement of the workers is a very important source of work," the chairman of the organizing committee of SNTCFAR emphasized.

Concerning the /fourth congress/, Roque said that an exact date has not yet been set. "It must be at the end of this year or the beginning of the next. First, we must intensify our work so that we come to the congress with future plans. That requires that we strengthen our work in general, particularly the role of the union leaders, in coordination with the administrative offices to make the local work more dynamic, tie our cadres to the centers and distinguish ourselves as representatives of the masses. We must come to the congress with distinguished work, with a victorious union."

Before ending the interview, Jose Antonio Roque wanted to address all FAR civilian workers and recognize their effort to live up to those who died at the Bay of Pigs and this important moment for our country.

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CHEMICAL DEFENSE TROOPS EXERCISE DESCRIBED

Havana VERDE OLIVO in Spanish 3 May 81 pp 38-41

[Article by Mario Rodriguez and Gabriel Izquierdo: "Gases!"]

[Text] The small Chemical Troops unit is ready to begin a new activity, outside practice on a range. It is one of the most important stages of the instruction program.

We can still recall what the leader said moments earlier:

"The basic objective of the range exercise that we will begin immediately is to give you the necessary training in such important aspects as the detection and determination of toxic and radioactive substances, collection of samples, control and degasification of contaminated sectors and special treatment, handling and use of the Chemical Troops weapons and protective gear."

We see the enthusiasm to begin the activity as soon as possible; it is reflected on each face. This is fully justified since each member of the group is aware of the need and importance of the new task.

In each of the six areas, the soldiers will increase their knowledge under very realistic conditions.

Now it is necessary to apply that knowledge just as in combat action.

The area chosen for the training, a short distance from the permanent site, meets all the requirements for a practice range due to the patient and enthusiastic effort of each study group or unit, determined to achieve the best emulation results.

Finally the word "gases" arouses the class. A thick column of smoke rises from the bushes while the soldiers quickly and deftly put on the protective gear and head for the "contaminated sector" in order to determine, with the aid of the chemical exploration equipment, the type of toxic substance used.

During this activity we think once more about the importance of this specialty.

In a modern war where mass extermination weapons will surely be used, "the chemicals"--as we call them affectionately--play a primary role.

They must combat the lethal influence of toxic gases and biological warfare or the catastrophic aftereffects of radioactivity in order to guarantee successful combat action by the rest of the troops.

For that reason, at the beginning of this exercise today the soldiers of this small Chemical Troops unit will put the study problems into practice with all the enthusiasm of someone who knows he is truly useful.

Lt Demetrio Limonta, leader of the area, told us: "Our profession is not easy. We must have good mastery of the technology that we use and sufficient knowledge to quickly determine the type of toxic substance used, its concentration, persistence, etc.

"The smallest error can bring serious consequences. That is why the range exercise is so necessary. Here the soldier is trained, through the use of different imitative substances, until he acquires the necessary skills."

After the training in the first area, the personnel is taken to the remaining areas where they will complement their knowledge.

Then there are important activities like training in the detection of toxic substances, preparation of degasifying, deactivating and disinfecting solutions, degasification and deactivation of the organic technology, the troops, the terrain and clothing and the exploration of a sector.

To the small Chemical Troops unit, it has been one more fruitful day with emphasis on consolidating what has been learned.

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CSO: 3010/1332

MACEO MILITARY SCHOOL RECEIVES EMULATION AWARD

Havana VERDE OLIVO in Spanish 3 May 81 p 57

[Article by Jose Cazanas: "First Place"]

[Text] A block of the Gen Antonio Maceo Interservice School won first place in the military inspection emulation commemorating the 20th anniversary of the proclamation of the socialist nature of our revolution.

Brig Gen Roberto Viera Estrada presented the banner for the award to First Lt Laudelino Matos Miranda who accepted it in the name of the group.

The simple ceremony was held last Sunday at the end of the exercises in the Plaza de la Revolucion. Col Armando Saucedo, first substitute for the head of the FAR Central Political Office and member of the Central Committee of the party, and Lino Carreras, member of the Central Committee, were present.

At the beginning of this ceremony, it was announced that the female block of the National Revolutionary Militias was in second place and the one at Comandante Camilo Cienfuegos Artillery School won third place.

The basic parts of the emulation were: step and military bearing; distance between lines, blocks and standard bearers; salutes of the chiefs; conduct and appearance of the members of the blocks; right face; position of weapons; and movement of arms.

"We will add other awards to this new award which we will take back to our unit with pleasure and pride because it is already a tradition for the school to win first place in parades and inspections," First Lt Laudelino Matos Miranda stated confidently.

The Gen Antonio Maceo Interservice School treasures different trophies, banners and pennants won in emulations with different blocks that have participated in military inspections and parades. At this time, its block is practicing with others that will march in the Third March of the Fighting People to celebrate the International Day of the Worker.

SCIENTIFIC-TECHNICAL REVOLUTION EXPLAINED BY SOCIALISM

Havana TRABAJADORES in Spanish 14 Apr 81 p 2

[Article by Hernan Yanes: "Socialism and Scientific-Technical Revolution"]

[Text] The organic union of the achievements of the contemporary scientific-technical revolution and the advantages of socialism is very important for social progress. A close interrelationship between the natural sciences and technology and their correspondence with the development of the socialist society are indispensable.

Complete understanding of the essence of the contemporary scientific-technical revolution can only be achieved through the Marxist-Leninist interpretation. It indicates the social determinants and the conditions for positive effects of the results on social progress. This understanding of the problem is completely opposite from the antiscientific concepts of bourgeois ideology, particularly the "technologist" line of sociology. This last is characterized by its unrealistic futuristic models and its total theoretical defense of imperialism.

These concepts are used to try to convince people that the scientific theory of Marxism-Leninism concerning the inevitable progress to socialism through social revolution is no longer valid for developed capitalist countries. There is speculation about the effects of the scientific-technical revolution on the socioeconomic structure of the countries under state monopolistic capitalism, presenting the modifications in the social structure of those countries as impediments to revolutionary victory. Within the context of these bourgeois concepts, the scientific-technical revolution becomes an absolute and single factor in history.

Similar ideas can be found in the so-called "optimistic" variations of current technocratic trends; the most recent and common manifestations are the theories on "postindustrialism." These include the concept of a "technotronic society" put forth by a prominent anticommunist and close adviser to the past U.S. president, Zbigniew Brzezinski, and Alvin Toffler's "predictions" about the "superindustrial society."

Brzezinski, technology, especially electronics, is the determining factor for the socioeconomic structure, the politics and the spiritual life of the society, conceived as a simple function of technical development. This ideologist uses an arbitrary abstraction concerning the growing class antagonism and class struggle that mean the inevitable overthrow of the bourgeois system.

In his book "The Third Wave" published a few months ago, Alvin Toffler states that, through the spontaneous and exclusive force of technological development, a technocratic society that will solve the major problems of humanity draws near. With these conclusions, Toffler tries to ignore the necessary revolutionary solution to the conflicts of capitalism and subtly rejects socialism. The scientific-technical revolution, viewed outside the framework of Marxist-Leninist considerations, becomes an instrument of anticommunism, "misinformation" and propaganda among the working masses.

Based on a Marxist-Leninist analysis, the thesis "on national scientific policy" of the First Party Congress states that:

"The first factor that has to be taken into account in outlining the national scientific policy is the concurrence of two historical events of enormous importance for humanity: the social revolution and the scientific-technical revolution.

"The scientific-technical revolution is a common phenomenon to the developed countries but its evolution and its results depend on the prevailing social regime."

The scientific-technical revolution is a great step in the development of the productive forces related to scientific discoveries since the 1950's. It is an important factor in social progress whose sociopolitical consequences include changes in the social structure of the developed capitalist countries which gives new characteristics to the class struggle, including expansion of the social forces that will carry out the socialist revolution. This phenomenon has totally different results in socialist countries where it is at the service of the working people.

The contemporary scientific-technical revolution is characterized by an in-depth technical revolution that, as a single process, penetrates the components of the technological system. Its characteristics include automation, biologism in production as well as control over the new sources of energy and cosmic space.

Only the Marxist-Leninist focus offers us the multilateral trends of the scientific-technical revolution and makes the elaboration of a complex program of scientific-technical development under socialism as well as the prediction of social progress possible. Contemporary Marxist philosophy combines the basic ideas of Marx, Engels and Lenin on the scientific-technical revolution and its social role. It requires a systematic vision, in its unity and interrelationship, of all the socio-economic, political, scientific, technical and other problems with the objective of rationally using the fruits of that revolution to benefit humanity. Using that focus, the plans for national scientific development of the socialist countries are drawn up and the trends of the scientific-technical revolution are adapted to the construction of communism and changes in the way of life.

Under socialism alone, automation--which changes the nature of the interrelationships between man and technology in the labor process--the increased intellectual training of the workers, the increased labor processes that are directly included in the technological cycle and the increased number of intellectual workers who have organizational or technical functions occur in a nonantagonistic social context and really help improve the standard of living of all the people without exception.

These are the truths that the imperialist theoreticians try to ignore in their diversionary work.

LAGE EXPLAINS UNIVERSITY ENTRANCE REQUIREMENTS

Havana JUVENTUD REBELDE in Spanish 23 Apr 81 p 2

[Speech by Carlos Lage, substitute member of CC of PCC and second secretary of UJC, at political-moral evaluation assembly for 12th grade students of Jose Marti Pre-university School: "Those Who Accumulate Most Student, Social Merits Will Go on to Universities"]

[Text] Comrades of the presidency:

Comrades:

Today we are beginning the political-moral evaluation assemblies for the 12th grade students in this preuniversity institute. This process takes place every year as part of the admission system for advanced education centers.

This school was chosen for this national ceremony because we know your history and the effort that the workers and students here are making to become a national vanguard. We trust that you, with your selfless effort, will reach this important objective.

Our revolution which has just commemorated the 20th anniversary of the first great military defeat of Yankee imperialism in America has opened all the ways to the fullest social attainment by our youth.

Article 50 of the Constitution states that every child or youth, whatever his family's economic situation, has the opportunity to study based on his aptitudes, social needs and the needs of economic and social development.

The Second Party Congress, in its resolution on educational policy, confirmed the thesis of the First Party Congress by stating:

"The level, class, training, ability and political and social attitude will be the admission requirements for the advanced education centers, determined by the scientific and technological needs based on our development plans. In that way, technicians and professionals who are trained in these centers receive the training that those plans require."

The social needs of the country led to the need to establish norms and procedures for admission of the preuniversity graduates to the advanced education centers based on their political, moral and academic qualities.

This fulfills a basic principle of our society concerning the value of merit as an important element in social advancement. In other words, those who accumulate the most student and social merits will go on to universities.

It has to be this way because, even in the most developed socialist countries, the enrollment capacity of the regular advanced level courses is not equal to the number of graduates from the preceding level.

Those who do not go directly to the universities can take short courses to become intermediate-level technicians and specialists, go directly into production or services or go into General Military Service. They can continue university studies while working or after military service.

The admission system for advanced education centers also assures that our universities will continue to be firm bulwarks of the revolution where there is no room for antisocial elements, delinquents or enemies of our people.

That supports our commander in chief's statement that "the university is for revolutionaries" and reinforces the fight for demand.

Political-moral evaluation is a process that MINED (Ministry of Education) promotes, organizes and develops with the support of the UJC (Union of Young Communists) and FEEM (Federation of Middle School Students).

The admissions committee headed by the school director studies and analyzes the social behavior of the students. It will consider the student's accumulative record, the opinions of the teacher advisers and the opinions of the school comrades.

The opinions of the school comrades will be gathered in school assemblies convoked for this reason by the leaders of the center. The opinion of the student group is important in the political-moral evaluation. Therefore, their preparation for these assemblies which are directed by officials or teachers who are appointed by the center leaders is very important.

These assemblies which are being held throughout the country between 13 April and 25 April, according to the schedule established for this year by MINED, constitute one more link in the chain of our youth's educational and social process.

After 10th grade and with admission to FEEM, the student participates in a system of political processes that contribute to his training such as student emulations, monthly classroom assemblies of FEEM, student assemblies for communist education, assemblies for presenting merits and demerits by FEEM and student plenary sessions.

It should be explained that, from the time when the student enters the preuniversity institute, the bases for admission to the advanced education centers are explained to him. The importance of his social conduct and fulfillment of his revolutionary and student duties in general are requirements of our society in order to continue his studies at the advanced level of education.

The political-moral evaluation at the end of 12th grade covers the social, revolutionary and school background of the youth with special emphasis on the preuniversity level.

Therefore, the political-moral evaluation is a positive reinforcement and a powerful stimulus to good social conduct and the fulfillment of our youth's revolutionary and student duties.

Essentially Educational Nature

This process has an essentially educational nature. Objectivity, the appropriate procedure, recognition of the positive values of each student and a self-critical attitude toward errors, weaknesses or deficiencies along with the commitment of each one to advance in our society are important.

The student body must be appropriately prepared to insure the success of this process and to responsibly fulfill this important function that has been assigned to it since the majority opinion of a student collective concerning antisocial behavior is a determining element in the final conclusion reached in a student's integral evaluation.

The basic elements used to analyze the social conduct of the students are: attitude toward study, work and patriotic-military activities; social conduct in general; and student merits and demerits from FEEM.

The existence of concrete facts will be taken into consideration to determine that a student does not meet the social requirements for admission to the advanced education centers.

Students who do not agree with the results of their evaluation have the opportunity to appeal to the appropriate organs of MINED which is responsible for the quality and fulfillment of everything established in the development of this task.

MINED works hard for appropriate preparation, accurate planning of each step, fulfillment of the schedule, coordination with other factors that influence it, training of officials and teacher advisers who have to carry it out, a close tie and necessary training of students and their parents and strictest control of the final results.

The UJC and the FEEM appoint representatives to the admissions committee at each center and actively participate in the preparation and development of this entire process. The members of the UJC and leaders of the FEEM must assume the most critical and combative positions, particularly in the development of the assemblies, starting obviously with their exemplary behavior and prestige.

Student comrades:

We want to conclude by pointing out an idea expressed by our commander in chief concerning youth and the value of merits:

"The merit is what man acquires with his determination, his effort and his perseverance.

"We have to make that the prevailing spirit in order to develop a different society, to form a totally different human being. The spirit of sacrifice, work and the

Fulfillment of duty have to be exalted. If something must be condemned, it is lack of discipline, determination, perseverance and spirit of sacrifice. If something must be condemned in our youth, it is softness. We expect youths of determination, youths of character, youths of strong spirit, who are not discouraged by any difficulty, who do not retreat before any obstacle."

Long live the 20th anniversary of the Bay of Pigs victory!

Long live our revolutionary student body!

Long live Fidel!

Fatherland or death!

We will win!

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CSO: 3010/1329

BRIEFS

REARGUARD CHIEFS AWARDED--The Bay of Pigs Victory commemorative medal was presented to a large group of officers of the FAR Rearguard Headquarters during a ceremony held in Military Unit No. 2778. Brig Gen Carlos Rodes Moros, substitute for the minister of the FAR and chief of the FAR Rearguard, presided over the ceremony with other chiefs and officers. Brig Gen Carlos Rodes Moros spoke, pointing out the historical significance of the Bay of Pigs victory and remembering those who died then in defense of socialism. Lastly, in homage to the decorated comrades, there was a military inspection with different units participating. [By Persida Chibas Ponce] [Text] [Havana VERDE OLIVO in Spanish 3 May 81 p 57] 7717

CSO: 3010/1332

PRIME MINISTER SEAGA OUTLINES ECONOMIC STRATEGY

Four Targets Outlined

FL282335 Bridgetown CANA in English 2309 GMT 28 May 81

[Report by Suzanne Francis-Hinds]

[Excerpts] Kingston, Jamaica, 28 May (CANA)--Jamaica's prime minister and minister of finance, Edward Seaga, said today the four targets for the Jamaican economy over the next 3 years were restoration of economic growth, balancing of the recurrent budget, achievement of a balance of payments surplus, and the reduction of unemployment.

Opening the 1981-82 budget debate in the House of Representatives, Mr Seaga outlined as his two major strategies for economic growth, the utilization and restoration of assets, and the "structural adjustment" of the economy. He said that utilized capacity in the economy, running at some 40 percent, should double within 3 years. This capacity exists in industry, tourism, mining, energy, craft production and in human resources for training.

Assets, including schools, hospitals, prisons and community centers which had been allowed to fall into disrepair, must be restored, as well as roads, seawalls, gullies and other infrastructure, Mr Seaga said. Some 54.3 million dollars has been made available under various ministries for this restoration work, as compared with 16.4 million dollars in the last fiscal year, he said.

The role of the government as an owner and regulator in the society would be reduced, he said, with emphasis on import licencing, investment approval in building and real estate and in the hotel industry, and in marketing arrangements for agricultural exports.

He said that the State Marketing Corporation (STC), introduced by the former People's National Party (PNP) government was being examined, and that only areas where bulk purchases would give a definite price advantage to the consumer would remain under that organization. Imports of other items will be returned to the private sector.

Mr Seaga said 13 government corporations which have been running at a loss were now under investigation by the government's divestment committee, as were several state-owned hotels run by the National Hotels and Properties (NHP).

In the area of protectionism, Mr Seaga said gradual deregulation would take place, so as to control inflationary pressures by importing those basic items which are cheaper abroad, and switching local producers of such items to other areas where there is a viable export market.

He said a zoning plan was to be undertaken, and that the government was getting 133 million dollars (US) from the World Bank to insure that the entire structural adjustment program can take place on a timely and orderly basis.

Government expected 3.7 percent growth in the economy this year, with 4 percent in fiscal year 1982-83, and 5 percent the following year, he said. The investment requirement to underwrite this growth has been estimated at 4,600 million dollars (one JCA dollar : 56 cents US) and saving requirements have been matched with investment resources.

He said another necessity was restoration of the balance of payments to surplus, and that this was expected to reach 40 million dollars (US) this year--year one of a 3-year recovery program.

Funds would begin to become available for raw materials and this would start the wheels of industry, Mr Seaga said. He said 20 million dollars would be released next week for the import of raw materials and spare parts.

In terms of credit, the finance minister said an industrial rehabilitation loan of 70 million dollars (US) would be available to Jamaica in October to buy capital goods and spare parts, while the export development fund established 2 years ago by the World Bank for capital investment goods will receive another 37 million dollars (US). He said the government was negotiating lines of credit with several banks, to a total of some 60 million dollars (US).

Mr Seaga said his government had a prices policy which involved the decontrolling of 18 items, and an import policy aimed at breaking up the black market by filling the market with goods.

He said food prices had gone down in the period November 1980-April 1981 by 1.9 percent, compared with a rise of 10.8 percent the previous year. "We are coming to grips with inflation," he said. "Now that we have some control, we must exercise more."

No New Taxes Needed

FL290949 Bridgetown CANA in English 0151 GMT 29 May 81

[Text] Kingston, Jamaica, 28 May (CANA) -- Prime Minister and minister of finance, Edward Seaga, opening the session in the Jamaica Parliament of his government's first national budget, said tonight that his country's 1981-82 budget will be financed without resort to new taxation or to the printing of unbacked money by the Bank of Jamaica. Speaking against a background of cheers from government front and back benchers, Mr Seaga said

the 2.5-billion-dollar budget had a recurrent deficit of 278.9 million dollars, and a consequent total financing gap of 86.7 million dollars. He said that normally this would be financed by tax, and that many people 'ad been hoarding beer, cigarettes, sugar and even gasoline in expectation of this occurring.

In actual fact, the prime minister said, the gap would be financed with treasury bills. He said 37.5 million dollars in additional revenue had been built into the budget on the expectation that this would be received through improved collection of arrears. "It is entirely possible to do so," he said. "But I give warning that if there is any failure to collect it, I will be coming back in mid-year for the balance. There will be no printing of money by the Bank of Jamaica to finance this budget," he added.

Mr Seaga said 401 million dollars had to be printed by the Central Bank to fill a gap in the 1980-81 budget, of which 357.1 million dollars was revenue deficit. The total revenue shortfall on last year's budget was 37.8 million dollars, with all items showing shortfalls, except income tax, which was increased by payments from the bauxite companies and a drive to collect tax arrears, retain sales tax and miscellaneous revenue, he said. This led to negative growth of 5.4 per cent--the second worst in the island's history, he said.

Mr Seaga said that this year's budget had been structured within all the ceilings set by the International Monetary Fund (IMF) under its recent extended fund facility of 698 million (US) arrangement with the Jamaica Government. And he said a special team had been established, including the financing secretary and the governor of the Central Bank, to ensure that these ceilings were not exceeded in the future.

CSO: 3025/1014

SHEARER CHALLENGES POLICE TO FIGHT ORGANIZED CRIME

FL282342 Bridgetown CANA in English 2307 GMT 28 May 81

[Text] Kingston, Jamaica, 28 May (CANA)--Jamaica's Deputy Prime Minister Hugh Shearer has challenged the island's police force to develop the techniques, strategies and skills necessary to counter organized crime.

Mr Shearer, addressing the annual general meeting of the Police Federation, said crime in Jamaica had become complex, although there was still a certain amount of robbery, assault and even murder on what could be called a purely personal level. "The type of crime which today the police are increasingly called upon to cope with appears to aim at the society itself, and is of a scope and savagery which tempts one to believe that one is involved in a war," he said.

"Such crime does not involve only the person actually committing the crime, with the general breakdown of discipline in the society, there had arisen a general disregard for the rights of other people and for the law itself. The world of crime now overlaps with several others and the face of crime has changed accordingly," he declared.

Mr Shearer said that it was up to the police and the society as a whole to reestablish an atmosphere of calm and regard for the rights of citizens. The deputy prime minister said government was committed to assisting the police in their efforts to contain crime, and that the police were free to carry out their legitimate duties without restriction, favoritism or threat.

CSO: 3025/1014

MANUFACTURERS WARN OF TOO RAPID DEREGULATION OF ECONOMY

FL281939 Bridgetown CANA in English 1918 GMT 28 May 81

[Text] Kingston, Jamaica, 18 May (CANA)--The Jamaica Manufacturers Association has expressed concern that rapid deregulation of the Jamaican economy, particularly in the area of import restriction, could adversely affect locally-made products dependent on the domestic market.

Expression of concern by the manufacturers has followed declaration by Prime Minister Edward Seaga of his government's commitment to deregulation and the development of an aggressive export policy, while outlining Jamaica's 3-year 698-million dollar (US) extended fund facility from the International Monetary Fund (IMF).

"The Jamaica Manufacturers Association has no quarrel with the long-term objective of developing an aggressive export program as indeed we must," Deputy President Carlton Walter told a meeting of the association yesterday, "but it will vigorously resist any effort to do this overnight.

"The sector must be given an opportunity to develop its own program and pace of implementation that it can live with, without dislocation and chaos," he said.

Mr Walter said deregulation could have the effect of removing the protection which manufacturers had enjoyed in the local market.

He noted too that most of Jamaica's industrial plants had been established in the 1950's and 60's to suit a protected local market and could not compete in export markets without substantial and costly refitting. Some industries could not survive the competition of imported goods in the local markets, he said and that could have implications for the employment and investments, he warned.

Mr Walter also complained that local manufacturers were suffering from a high level of illicit imports being sold on the local market, particularly garments, footwear and jewelry. He said merchants were reporting that Jamaican consumers preferred to buy the foreign commodities, in the belief that they were of better quality. That was affecting the sales of locally-made products.

"This state of affairs, if allowed to continue, will force manufacturers to become illicit traders and importers, causing further deterioration in level of employment in the sector," Mr Walter added.

WILLIAM RAMIREZ ATTENDS SUMU INDIAN ASSEMBLY

PA281836 Managua BARRICADA in Spanish 22 May 81 p 14

[Article by Juan Jose Lacayo]

[Excerpt] During its "Heroes and Martyrs of the Atlantic Coast" Fourth Assembly, the National Association of Sumu communities [Asociacion Nacional de Comunidades Sumus--ANCS], which is called Sukawala in Sumu, analyzed and updated the objectives of the organization and reached an agreement with the authorities of the Nicaraguan Institute of the Atlantic Coast (INNICA) about the appointment of a delegate to the institute who will watch over the interests of the Indian group.

The assembly was held on 14 to 17 May in the Moravian Church of Wasakin, 30 km from the Rosita Mine in the heart of the mountain, with the participation of 92 delegates, representatives of 32 Sumu communities and 4 delegates of Miskito, Sumu, Rama, Sandinist Unity [Misurasata].

The objectives of the assembly were to analyze the organizational situation of Sukawala, its problems and difficulties and the achievements, advances and goals of the revolutionary government.

The closing session was attended by guerrilla commander William Ramirez, minister for the development of the Atlantic Coast, Companero Jorge Jenkins, director of the Nicaraguan Natural Resources and Environment Institute, and representatives of various state institutions that are carrying out projects on the Atlantic Coast.

The ANCS was founded on 14 November 1974 in the Bonanza Mine for the purpose of defining the communities with a population of approximately 15,000. The second assembly was held in 1979 and the third in 1980.

In the fourth assembly, the Indians stressed the need to redefine the essential principles of their organization in order to have it serve as a basis of support for the social development programs of the revolution that seek to solve the urgent needs of the Indian communities such as health, education and housing.

In 1980, the leadership of Sukawala or the ANCS actively participated in the literacy campaign in Sumu. In various communities, work is already being carried out to collect the Sumu folklore so that it will be known in the rest of the country.

In the dialogue with Commander William Ramirez and Companero Jorge Jenkins in Wasakin, the Indians referred to the educational problems such as the lack of suitable buildings for schools and teachers.

Commander Ramirez said that many problems arose last year due to the lack of coordination and he urged an improvement in organization to solve the problems.

Minister Ramirez told the Indian representatives meeting in the Moravian Church of Wasakin that 30 scholarships are available for Sumu youths who want to study. He added that INNICA will make "an inventory" of the youths who want to study to analyze the way they can be helped.

Commander Ramirez noted that in order to solve each and every problem of the Indian communities close cooperation is necessary between the Sumu leadership and the state institutions and that for this reason the ANCS or Sukawala must appoint a delegate to the INNICA. The assembly decided to appoint a delegate.

Regarding the lack of schools in some communities, Commander Ramirez said that INNICA, as coordinator of projects, will supply nails, zinc, hammers and mechanical saws to the communities but that the materials to be used must come from the communities since the distances and the difficulties in transportation prevent the transfer of the material from other places.

CSO: 3010/1414

SUGGESTIONS MADE FOR MORE EFFECTIVE DIALOGUE

PA231555 Managua LA PRENSA in Spanish 16 May 81 p 2

[Article by Mario Alfaro Alvarado: "The Hidden Face of the Dialogue"]

[Text] After insistently repeating that the independent political parties and unions were nothing but acronyms (something similar was affirmed under the previous regime), the Sandinists have suddenly discovered that the organizations that they have labeled bourgeois, reactionary and so forth are more than mere acronyms, that they are connected with democratic organizations abroad, can influence those organizations to some extent and could cooperate with the frontist [frentista] government to establish a dialogue between Managua and Tegucigalpa to either alleviate or eliminate border tensions.

The Sandinist Front's call to a dialogue has a hidden face that those invited to participate in it have not yet been able to see. First, they were invited to discuss the country's serious crisis, which might blow up, one of the commanders attending the conversations in preparation for the dialogue affirmed. Shortly after, the reason for the dialogue was the threat of an attack by the United States. Finally, it was the danger of a confrontation between the armed forces of Honduras and Nicaragua on our northern border. This evolution in the motives for the dialogue seems to conceal its real purpose.

From the very beginning, the parties and unions that have been holding talks with the front have insisted that the foreign situation reflects the domestic situation. If a climate of peace prevailed in Nicaragua, permitting everyone to work without fear of confiscations and the seizure of factories and properties; without fear of the mobs and the pressures exerted by the Sandinist Defense Committees (CDS); the elements seeking to invade Nicaragua, who are encouraged by the discontent that these actions generate and are multiplied by the lack of peace and tranquillity, would desist from their intentions and stop their attacks and aggressions at the border.

The talks have been held in a climate that has not improved since the frontist government has increased its pressures: it expelled the Confederation of Nicaraguan Professional Associations from the State Council and replaced this organization with another subsidiary of the Sandinist National Liberation Front; it created the National Union of Farmers and Cattlemen (UNAG) in order to destroy the Union of Nicaraguan Agricultural-Livestock Producers and it has given the former a seat in the State Council.

The cattlemen, the small producers, the businessmen and the industrialists are suffering the continuous pressures exerted by the Farmworkers Association, the UNAG, the CDS's and so forth. The union leaders are arrested, interrogated and threatened by state security. They are asked to "spy" on their own companions on behalf of the security bodies. The unionists are forbidden to carry out their union tasks; they are persecuted and not allowed to meet with their members.

The youths of the Nicaraguan Democratic Movement are frequently detained by the police and the security bodies. They are interrogated and threatened and a few days later they are again detained, interrogated and threatened. Economic pressures are exerted in the rural areas on small producers, who are denied credits to plant or improve their crops unless they "voluntarily" join UNAG.

In the Atlantic coast, the Miskitos are repressed, the promises made to them have not been kept and their rights are not recognized. The Misurasata [Miskito, Sumu, Rama Sandinist Unity] leaders are persecuted, and the members of this organization are fleeing by the thousands to Honduras.

This is the prevailing climate in Nicaragua. It is not possible, therefore, for any dialogue to bear fruit, for the purpose of a dialogue should, first of all, be to create the right climate for a dialogue aimed at the search for real solutions to the country's problems.

The visible face of the dialogue are the demands that the parties involved have made through five rounds of talks, but what is concealed behind that face? What is the Sandinist Front's real intention in convoking a "national forum" to examine the national problems, both internal and external?

Several aspects must be examined in that forum. The first one would be the prevailing climate in Nicaragua. A stormy climate marked by fear, uncertainty and distrust. If the climate does not improve, will it be possible to make progress in a dialogue whose purpose is precisely to lead the country toward a climate marked by social peace and trust?

The other aspect concerns our domestic problems: political, social, economic and moral. The discussion of these problems at a forum must seek to resolve them in practical ways rather than let things continue the same. The examination of deviations from the government program would be a good starting point.

A third aspect concerns our foreign relations. The frontist government has strived to develop friendships with countries that are distant both geographically and in terms of the Nicaraguan people's interests. Meanwhile, they have neglected relations with our neighboring countries, with those lying right there, on the other side of our borders. With them we maintain tense and even somewhat hostile relations.

It is encouraging that an effective step has been taken toward the holding of an upcoming national forum at which the problems overwhelming this nation will be examined. But the question remains: Can a national dialogue make progress in the current climate of uncertainty, unrest and anguish?

The answer must be given by those who have in their hands the means to transform Nicaragua's current political climate into a climate favorable to dialogue and to the solution of the problems discussed during that dialogue.

BRIEFS

SUGAR, MEAT PRODUCTION GOALS--Sergio Ramirez Mercado, member of the National Reconstruction Government junta, said yesterday at the Benjamin Zeledon Sugar Mill in Rivas that the early rains were the reason that prevented the reaching of the planned production goals in the sugar sector. The planned output was 4,773,000 quintals of sugar. Although the figures on the production that was obtained were not released, they were below the planned estimates. Ramirez Mercado said this will not affect the supply for domestic consumption, but it will evidently reduce exports. A reduction in exports will, in turn, affect the foreign exchange the country receives. This situation is further worsened by the drop in international sugar prices which have gone from \$.40 to \$.14. Regarding the fulfillment of the goals established for meat exports, Ramirez Mercado explained that they will not be met either. The main reasons are the crisis in the cattle herds due to the irrational slaughter, particularly during the liberation war because of the shortage of food, and the illegal transfer of cattle to Honduras. Even though the panorama in the two aforementioned sectors appears somewhat somber, production goals have been amply fulfilled in the coffee sector. [Text] [PA231634 Managua Radio Sandino in Spanish 1200 GMT 23 May 81]

BORGE TERMS JEHOVAH'S WITNESSES 'IMPERIALISTS'--Commander of the Revolution Tomas Borge, interior minister of Nicaragua, on 17 May dedicated the "Ivan Montenegro" market place in the "Oscar Benavides" community complex. On that occasion he stated: "Christ has never left. He is here. Those who say he is coming are trying to justify the attacks of the counterrevolution. Christ has never left the heart of the Nicaraguans." Referring to the ideologic diversionism that well-known sectors want to promote with the "appearance" of the Virgin of Cuapa, Commander Borge said that there has been lack of respect toward the people. He stated: "We want to issue a warning to those liars, those phoney prophets who are lying to distract the people and to say that this is a mean revolution." The interior minister said that the members of Jehovah's Witnesses, a religious sect, are agents of imperialism and that they will be expelled if they show disrespect for our patriotic symbols. Borge said that there is absolute freedom of religion in Nicaragua, that all the Catholic and Protestant Christians who struggle next to the people have a place in the heart of the fatherland, but not those who want to deliver the fatherland to imperialism. They will have no freedom and they will be considered enemies of the revolution. They will go to jail or will be expelled. [Excerpt] [PA242333 Managua EL NUEVO DIARIO in Spanish 20 May 81 p 9]

EDUCATION LEADER CRITICIZES ARTICLE--Dr Jose Pasos Marciaco, secretary general of the National Higher Education Council, today sharply rebuked Roberto Cardenal, a writer for LA PRENSA. Pasos Marciaco said that it seems that this [word indistinct] Cardenal does not even know what autonomy was yesterday, or what it is today, or what it will be tomorrow. The LA PRENSA commentator recently wrote an article on university autonomy with the apparent intention of refuting the statements of Professor Fernando (Benavente) on autonomy, but basically, he attacks one ideology to defend another. Pasos Marciaco said that what really is clear is Cardenal's bad faith and his desire to blame someone for expressing himself in a certain way because of hidden desires of the revolutionary government. Pasos Marciaco was surprised that Cardenal, who says he defends academic freedom, believes that Marxism cannot be taught in a university, although he knows that this course exists, even in American universities. [Text] [PA281945 Managua Sistema Sandinista Television Network in Spanish 0200 GMT 28 May 81]

CSO: 3010/1414

COLUMNIST SAYS CONGRESS TO INCREASE CONTROL OVER CANAL

PA011858 Panama City MATUTINO in Spanish 1 Jun 81 p 4A

[Luis Restrepo Rosas column: "Additions and Amendments to Law 96-70"]

[Text] The U.S. Congress, completely disregarding the clear and categorical warnings of the Panamanian Government, approved Law 96-70 on 27 September 1979.

As we all know, this law flagrantly violates the Torrijos-Carter Treaty and eliminates the Panamanian people's dearest victories in this treaty by placing the Panama Canal Commission under the U.S. secretary of defense and the control of the U.S. Congress.

The treaty very clearly establishes that the Panama Canal Commission will be run and controlled by a board of directors, four members of which represent the Panamanian Government. The U.S. Congress had no role to play in the administration of the Panama Canal Commission or in the management of its finances. This principle was completely eliminated by Law 96-70.

On various occasions, the Panamanian Government has reiterated its total rejection of Law 96-70 and has protested the arbitrary intervention of the U.S. Congress in the management and control of the Panama Canal Commission.

President Royo has publicly stated that he will formally denounce Law 96-70 before international organizations.

However, recent statements by Gen Vernon Walters, representative of Secretary of State Haig, noting that he had advised the Panamanian Government not to take Panama's complaints to "the public arena" are worrisome.

It is probable that Walters is using the tactic of former President Carter of asking Panama to be patient because Law 96-70 must be amended this year and Congress must not feel pressured by Panama.

It is true that Section 3 of Law 96-70 says that "the president, within 2 years after the Panama Canal Treaty of 1977 is in effect, must submit to Congress a bill which 1) will amend or abolish stipulations of the law which in its present form are applicable only to the transition period prescribed in Article XI of the treaty; 2) will abolish the Canal zone code and 3) will contain stipulations deemed necessary or appropriate in light of the experience gained so far under the treaty."

However, whoever thinks that the U.S. Congress is going to amend Law 96-70 to abolish the clauses that Panama has pointed out as violations of the spirit and letter of the treaty is, in my opinion, naive.

To think that Robert Byrd, Dennis Deconcini, Jake Garn, Barry Goldwater, Jesse Helms, Strom Thurmond and all the other reactionaries of the Congress are going to be contrite and amend Law 96-70 to adjust it to the letter and spirit of the treaty is to have psychedelic dreams.

What's more, the prediction is that the additions and amendments will be made to increase the control of Congress, especially regarding investments on the canal, the administrative management of the commission and the establishment of tolls. Congress will try to reduce the role of the board of directors and the power of the Panamanian deputy administrator even more.

In addition, it will try to develop legislatively everything that it left in the law as powers of the president and which it believes the executive branch has not implemented.

The only way that Panama can face this danger is through an international complaint. Let the world know how the treaty and the Panamanian sovereignty is being violated. Let the world know as well that the efficient operation of the canal is being threatened because of limitations imposed by a reactionary and short-sighted congress that is nostalgic for the "Big Stick."

CSO: 3010/1413

NATIONAL INSTITUTE STUDENTS GO ON STRIKE

PA291957 Panama City Televisora Nacional in Spanish 1730 GMT 29 May 81

[Text] The National Institute students stopped classes today and took to the streets in order to express solidarity with the university students in their struggle to change the university law which was approved yesterday.

The National Institute students have blocked the avenue of the martyrs since early today by placing garbage cans in the avenue to prevent vehicles from passing. The access roads to this school were also blocked.

Later on, the students went to the Legislative Palace to express their support for the university cause before the Legislative Council. The students chanted several slogans under the vigilant watch of a cordon of antiriot policemen who protect the Legislative Palace. The students maintained order at all times and kept a cautious distance from the policemen.

Regarding the class stoppage, Raul Ford, secretary general of the Association of National Institute Students, said:

[Begin recording] [Question by unidentified reporter] What is the reason for this stoppage today and your presence here at the Legislative Palace?

[Answer] The reason for our suspending classes today is that the university students are right now on their way to the Legislative Palace and as future university students we want to support them so that when we become university students we will not be faced with these kinds of problems.

[Question] Will you continue the strike tomorrow or is it only for today?

[Answer] We have always been against anything that adversely affects the Panamanian people. We will support this as long as the aspirations of any student movement are just. [End recording]

200 500/413

MARXIST HAND SEEN IN BROADCASTER STRIKE

PA010220 Panama City LA ESTRELLA DE PANAMA in Spanish 31 May 81 p A-4

[Editorial: "The RPC Strike"]

[Excerpts] We have always advocated balance and moderation in employee-management relations. We firmly believe in the free enterprise system, but we have always defended the workers' conquests because they uplift the workers' morale and improve their living conditions. We believe the human being is the hub of any social system, and we believe every Panamanian has inalienable personal and group rights.

The strike at the Corporación Panamena de Radiodifusión (RPC) is not an unimportant, isolated act we can ignore. A radio-television network like RPC cannot be silenced without causing nationwide repercussions.

It is our duty to point out that this conflict entails a covert and dangerous threat to Panama's labor-government framework. It has been pointed out repeatedly that the conflict boils down to main issues: the absolute demand that the RPC personnel director be dismissed, and the reinstatement of a worker who was legally fired. The labor minister has said that Panamanian labor officials are not empowered to force RPC to do either. Even a casual observer can see the deliberate aim of intervening arrogantly in RPC's operation. This fact can be explained easily by the meddling by certain extremists, who are always against free enterprise. That is why the National Council of Private Enterprise in a communique dated 28 May says very clearly that there are "aims alien to labor-management relations but which are very similar to the tactics used by Marxist groups, which only seek to destroy private enterprise." The national government and all Panamanians should take note of the very special nuances of this conflict.

Speaking frankly, the RPC conflict affects not only a solid enterprise but it also carries serious risks for the private sector and the community in general. Because of these circumstances, this conflict should be settled rapidly and according to our laws.

CSO: 3010/1413

BRIEFS

LAWYERS TO SUE PANAMENISTA ORGANIZERS--Dr Arnulfo Arias Madrid today granted special powers to lawyers Jose Salvador Munoz and Guillermo Andara Galimany to sue Luis Gaspar Suarez Sierra (Toti) and Alnso Pinzon (Bucho) in his name. According to Arias, he is not familiar with the personal data of either of these two men and has not spoken to either one either directly or indirectly for over 12 years. Arias is suing them for slander and libel. Dr Arias claims that they have repeatedly slandered, dishonored, discredited and scorned him by saying they have been in touch with him and that he, Arnulfo Arias, has read and approved the statutes and declaration of principles of the fake and prostituted party that these two men want to register. The suit also mentions the usurpation of the Panamenista Party's name and symbols as well as other charges of slander that will be specified in the corresponding accusation. The power granted to the two lawyers was made valid at 0900 this morning before Chiriqui's third circuit judge. [Text] [PA300318 Panama City Televisora Nacional in Spanish 2315 GMT 29 May 81]

ALLEGED POLITICAL REFUGEE LEAVES--After spending 17 days as political refugee in the Venezuelan Embassy in our capital, Panamanian citizen Rafael Alfredo Toro Garcia flew yesterday to Miami. Toro Garcia must answer a suit for alleged forgery of checks. Toro Garcia requested political asylum in the Venezuelan Embassy in our country alleging that he was being politically persecuted because he was the leader of an alleged democratic movement opposed to the government. There has never been any information about such a group. The Panamanian Foreign Ministry refused to recognize Toro Garcia as a political refugee, since there was no arrest warrant against him. Shortly after, the local judicial authorities announced that he was free on bail because a suit against him for the forgery of checks was still pending. [Text] [PA310250 Panama City Televisora Nacional in Spanish 2315 GMT 30 May 81]

CSO: 3010/1413

BUDGET APPROVED AMID PARTISAN CLASHES

FL012323 Bridgetown CANA in English 2307 CMT 1 Jun 81

[Text] Castries, St Lucia, 1 Jun (CANA)--The House of Assembly here has approved the ruling Labor Party's [SLP] 1981-82 budget at the end of a 1-day debate dominated by frequent clashes between elected members and speaker Clarence Rambally. It was the second budget to be presented to parliament in the space of 50 days, the first having been defeated on 14 April. This time, however, the government used its one seat majority of one to get the budget approved by a vote of nine to eight.

During the debate each speaker was restricted to one hour and when opposition members sought an extension of time to continue speaking under the standing orders the government used its majority to deny their requests.

The budget calls for the expenditure of EC dollars 208.7 million (one EC dollar : 37 cents (US)) during the current year. Prime Minister and Minister of Finance Winston Cenac said the budgetary proposals were a modification, restructuring and refinement of that presented last month.

But opposition members were not impressed. They claimed that the government had no legitimacy to rule and should have gone to the polls after the first measure was defeated 6 weeks ago. Six of the eight opposition members spoke during the debate, and only one from the government benches besides Cenac.

Opposition Progressive Labor Party member George Odlum, minister of trade, tourism and foreign affairs in the last administration of Prime Minister Allan Louisy, warned that the life of the government would be "short, nasty, brutish and poor."

Opposition leader John Compton criticized the circumstances surrounding Cenac's appointment as prime minister after Louisy resigned 30 April. Compton said that on this principle alone he could not support the budget no matter its content. Compton accused the government of "criminal negligence" for its failure to consolidate and continue projects started by the former United Workers Party which lost power in July 1979.

Foreign Affairs, Trade and Industry Minister Peter Josie turned out to be the government's chief spokesman during the debate. Josie said that a lot of the contributions from the opposition had been irrelevant to food, clothing and shelter for St Lucians.

In obvious reference to Odlum, his former close cabinet colleague in the SLP government, Josie said "Some people enter politics and then go back on the road to get their baptism of fire. But I came up through the baptism of fire and I never called a public demonstration and ran away."

Josie said no state could exist without law and order and no self-respecting government would allow a handful to dictate how the country was going to be run. Josie added, "Nobody in St Lucia will break the law and get away with it. So anybody in the political arena now making his or her name through confrontation politics must be prepared for what they get."

"And if there is anybody inside here who is asking people to use arms, I hope when the time comes, if it really comes to that, that they are there with the persons using the arms. Some people like to instigate others and when the confrontation comes, you can't find them."

The budget, St Lucia's highest ever, is heavily weighted in favor of the social and economic services with 90 percent or 187.6 million dollars (EC) allocated to these areas.

CSO: 3025/1015

BRIEFS

JAPANESE METHANOL PLANT--Tokyo, 2 Jun (CANA-REUTER)--Two Japanese companies have signed a 30 billion yen (136 million dollar) contract in Port of Spain to build a methanol plant in Trinidad and Tobago, it was announced here today. Toyo Engineering Corporation (TEC), speaking for the two firms, said that under the contract concluded with the National Energy Corporation of Trinidad and Tobago Ltd (NEC), the plant capable of producing 1,200 tons per day would be completed at an industrial estate in Point Lisas, south of the capital, by early 1984. The other Japanese firm involved is Mitsui and Company Ltd, a Japanese trading house. The contract value will be paid in U.S. dollars. The product for chemical use from the projected plant would be mostly exported, TEC said without elaborating on destinations. [Text] [FLO21445 Bridgetown CANA in English 1351 GMT 2 Jun 81]

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